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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	Case No.11-10612 (SHL)
TERRESTAR CORPORATION, *et al.*,	Chapter 11
Debtors.	

REPLY TO RESPONSE TO MOTION TO RECONSIDER ORDER DENYING APPOINTMENT OF EXAMINER

ALDO I. PEREZ ("Movant"), by his undersigned counsel, hereby files his Reply to the Debtor's[1] Response in Opposition to his Motion for Reconsideration of Order Denying Appointment of an Examiner and states the following:

[1]The Debtor refers to TerreStar Corporation ("TSC"), which is the controlling shareholder of TerreStar Networks, Inc.

I. INTRODUCTION

1. Movant seeks reconsideration of the order denying the appointment of an examiner. Reconsideration is warranted because it was improperly determined that the claim of Elektrobit, Inc. ("Elektrobit") claim did not satisfy the requirement set forth in 11 U.S.C. §1104(c) which requires that there be liquidated debts in excess of $5,000,000. Elektrobit's guaranty claim satisfies section 1104(c) thus mandating the appointment of an examiner.

2. The appointment of an examiner is also warranted because it is indisputable that holders of equity interests in TSC ("Equity"), such as Mr. Perez, have not only lost their money, they have been bereft of representation throughout this bankruptcy proceeding, a bankruptcy that need not have been brought were it not for machinations and contrivance.[2]

3. For Equity, such as Mr. Perez, who have lost their significant individual investments, to be informed by the Debtor that their "parochial interests"[3] are insufficient to warrant the relatively minor expense (relative to the expenses thus far incurred by the Debtor) of an examiner is to add insult to injury. Without question the Debtor has had ongoing access to well-paid professionals. In contract, neither Equity nor unsecured creditors have the benefit of professional advisors that are compensated by the Debtor's estate. To suggest that the Debtor's interests are aligned with those of Equity would be to turn a blind eye to the prepetition acts of Debtor's management that have been directly opposed to such interest and completely ignores the fact that each of the controlling preferred shareholders are also bridge lenders and DIP lenders to the TSC debtors, and all have their counsel fees paid for by the estate. With no

[2] The investment of significant funds into SkyTerra, to the detriment of TSC is one such example; moreover, the fact that Chubb Insurance Company of American renewed the insurance policy held by TSN on the satellite launched on July 1, 2009 indicates that the company was solvent, since the policy would not have been renewed if Chubb deemed the entity financially unsound.

[3] See Debtor's Response in Opposition to Appointment of Examiner (D.E. #253) at p. 12, ¶ 25, citing *In re Bradlees Stores, Inc.*, 209 B.R. 36, 39 (36 (Bankr. S.D.N.Y. 1997).

unsecured creditors' committee, no equity committee, no trustee and no examiner, the Debtor has met with little to no resistance in pushing forth a plan that benefits its controlling shareholders. Meanwhile, Mr. Perez and all other minority shareholders, as well as other constituents, have been disadvantaged and bereft of protection, let alone the 'extra' protection contemplated by Congress in enacting the provision providing for the appointment of an examiner.

II. EXTRA PROTECTION OF INVESTORS

4. In accordance with 11 U.S.C. § 1104(c), a court may appoint an examiner to conduct "such an investigation of the debtor as is appropriate, including an investigation of any allegations of fraud, dishonesty, incompetence, misconduct, mismanagement, or irregularity in the management of the affairs of the debtor of or by current or former management of the debtor." 11 U.S.C. § 1104(c). As courts have noted, the examiner provision reflects the desire of the drafters of the Bankruptcy Code to provide extra protection to stockholders of public companies through the mechanism of an independent functionary. *In re Gilman Services, Inc.*, 46 B.R. 322, 327 (Bankr. Mass. 1985); *see also In re Loral Space & Communications, Ltd.*, 2004 WL 2979785 (S.D.N.Y. 2004) (ordering the Bankruptcy Court to appoint an examiner upon finding that the debt threshold was met and that the appointment of "an independent functionary" was necessary to provide the additional protection to stockholders of public companies reflected in the legislative history of 11 U.S.C. §1104).

5. The appointment of an examiner is "a cautious, intermediate procedure which is more economical than the appointment of a trustee." *Id.* at 328 citing *In re Albert Harlow*, 34 B.R. 668 (E.D. Pa. 1983). To deny the benefit of 'extra protection' in the form of an examiner would effectively deny any protection to not only Equity but creditors too and would contravene the express purpose of the statutory provision permitting such appointment. This is particularly

true where, as here, there are questions regarding improper valuation, transfers to insiders and where the proposed Chapter 11 Plan calls for the distribution of the equity in reorganized TSC to go to its preferred shareholders, the majority of which are controlled by three funds, Harbinger Capital Partners, Highland Capital Management and Solus Alternative Asset Management.

III. QUESTIONABLE CONDUCT AND LACK OF ARMS-LENGTH TRANSACTIONS WARRANT FURTHER REVIEW

6. In determining to purchase shares of common stock in TSC, Mr. Perez reviewed information disclosed by TSC to potential investors.[4] A sample of the information he reviewed is attached hereto as Composite Exhibit “A.” TSC advised potential purchasers that they would be investing in a company that would provide “multiple communications applications, including voice, data and video services” and would offer an integrated satellite and ground-based technology which will provide service in most hard-to-reach areas and will provide a nationwide interoperable, survivable and critical communications infrastructure.” *See* the F-8, the narrative description of the business provided to the SEC in 2008, attached hereto as Exhibit “B.”

A. <u>Inducement to Purchase Stock was Deceptive and Misleading.</u>

7. As an investor and purchaser of common stock, Mr. Perez understood he would be investing in an organization that included as a significant asset the most technologically-advanced satellite (the “TS-1”) in existence. The TS-1 has been acclaimed as “the world’s largest, most advanced commercial communications satellite” and its launching has been heralded as the beginning of ‘tremendous opportunities,” as stated by Jeffrey Epstein, president of TerreStar Network (“TSN”) in the press release dated July 1, 2009, attached hereto as Exhibit “C.”

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[4] Mr. Perez ultimately purchased 218,000 shares of common stock in TSC.

8. Information put forth by TSC further led Mr. Perez to believe that he was investing in a corporation that had entered into a distribution agreement with AT&T (April of 2009) and that had entered into an agreement (with the Finnish company, Elektrobit, Inc.) for the manufacture of the technologically-advanced GENUS™ phone, an integrated smartphone capable of using both satellite and tower connectivity with no black-out areas. See News Release from AT&T dated September 25, 2009, and attached hereto as Exhibit "D." TSC executive Jeffrey Epstein is quoted as stating that the GENUS phone will replace the BlackBerry, as indicated in the online edition of USA Today, dated April 9, 2009, attached hereto as Exhibit "E." It was further noted in that same article that "the ability to call via satellite will be marketed as an insurance policy or peace-of-mind feature."

9. The objective, as stated by TSC's chief executive officer and president, Robert H. Brumley, in a SpaceRef News Release dated February of 2008, [attached hereto as Exhibit "F"], was for TSC was to obtain "an enhanced nationwide spectrum footprint through separate rights to certain 1.4 GHz spectrum currently held by EchoStar and Harbinger" (referring to Harbinger Capital Partners Master Fund I, Ltd. and Harbinger Capital Partners Special Situations Fund LP, current owner of LightSquared, formerly SkyTerra, as indicated in the attached Exhibit "G"). As Mr. Brumley further stated in his interview, the "enhanced nationwide spectrum footprint can help TerreStar accomplish its mission to offer reliable, interoperable satellite-terrestrial communications and next-generation applications for the commercial, government, rural and public safety sectors throughout North America."

10. Shares of TSC were promoted as a 'strong buy' by Tejas Inc., an investment bank located in Austin, Texas, which operates primarily through its subsidiary, Tejas Securities Group, Inc., as indicated in the complaint filed in the matter of *Highland Legacy Limited v Gary*

Singer, *et al.*, filed in the chancery court of New Castle County, Delaware. As alleged in the complaint, a then-director of Motient Corporation (Motient Corporation became TSC on August 16, 2007) owned an option to purchase 100,000 shares of Tejas, whose shares increased 900% in one year. Another former board member of Motient also owned over 51,000 shares of Tejas stock and was later named a director of TSC. Subsequent to being engaged by Motient, Tejas experienced a sharp increase in annual profit. *See Letter to Motient Stockholders* dated March 16, 2006, attached hereto as Exhibit "H." This information is relevant because it is indicative of questionable governance and questionable conduct in the marketing of shares of TSC common stock.

11. In actuality, there was contrivance in establishing related corporate entities, as indicated on the organizational chart attached hereto as Exhibit "I." The establishment of a multitude of affiliated entities[5] enabled TSC to make manifestly *unclear* which entities held and owned the significant aspects of the business plan it promoted. The failure of TSC, in its solicitation of investment capital, to clearly delineate that certain critical elements of the business plan put forth to investors (the satellite, license to use the 2.0 GHz spectrum, contracts for the manufacture and distribution of the GENUS smartphone) were owned by affiliated but separate entities (and thus susceptible to transfer without shareholder approval) was highly misleading and indicative of improper governance and a disregard for the interest of Equity.

[5] These include TerreStar Corporation, TerreStar Holdings, LLC, TerreStar Networks, Inc., and TerreStar 1.4 Holdings, LLC -a wholly-owned subsidiary of TerreStar Holdings and Motient Services, Inc. -TSC was formerly Motient- and Motient Holdings, Inc., Motient Licenses, Inc., Motient Ventures Holdings, Inc., MHV Holdings, Inc.

B. The SkyTerra Investment

12. The Intangible Asset identified on the Balance Sheet of 2009, the Spectrum, was the centerpiece of the business plan that TSC put forth to investors, who understood that the utilization of the Spectrum License would create a profit stream through which they would realize a return on their investment. The management of TSC radically diverged from the business plan promulgated by TSC. This was accomplished through investing of significant funds in SkyTerra, Inc., as indicated on TSC's Consolidated Balance Sheet for 2007 and 2008, attached hereto as Exhibit "J."

13. The investment of funds in SkyTerra, an entity that held a license for the 1.6GHZ Spectrum, was not only *not essential* for the TSC business plan (the plan that investors, such as Mr. Perez, thought they were investing in), it was *diametrically opposed* to it. The ability to use the 1.6GHz Spectrum was not compatible with the Genus™ smartphone and was not required for TSC to develop and implement the plan it put forth to investors. Furthermore, the 1.6 GHz spectrum has caused significant interference with GPS and is opposed to the interests of the Department of Defense. The decision of TSC management to needlessly place significant funds into SkyTerra, a decision *diametrically opposed* to the interests of TSC's common shareholders, was indicative of unwise governance, if not outright self-dealing.

14. By infusing funds into SkyTerra (now LightSquared, a private company owned by Harbinger Capital Partners, LLC, helmed by Phillip Falcone, which had also held a controlling share of TSC preferred stock), the directors of TSC acted in furtherance of the interests of a few controlling shareholders and in complete disregard for the interests of common stockholders such as Mr. Perez. LightSquared, owned by Harbinger, promotes itself as being engaged in the same endeavors as that of TSC. See printout of information provided on its website,

www.lightsquared.com/about-us/financial-information, attached hereto as Exhibit "K." This description is markedly similar, if not indistinguishable, from that offered by TSC. TSC, by infusing funds into SkyTerra, established a company in direct competition with TSC which operated to the ultimate detriment of the common stockholder. Essentially, the funds placed into TSC by Equity were transferred to SkyTerra, now LightSquared, under the helm of Philip Falcone and the Harbinger entities.

15. The action of TSC's directors in deciding to invest significant funds into SkyTerra, a competing entity, in clear contravention of common shareholders' interests, where such an investment was neither necessary nor warranted, merits the further review that could be provided by an examiner. In addition, transfers to and among insiders, including Echostar, Harbinger and Highland Capital, all holders of controlling positions in every class of TSC securities, indicate that further review by an independent examiner is warranted to investigate conduct of the Debtor.

16. As indicated on TSN's F-21, the EchoStar Investment Agreement provided for the purchase by Echostar of $50 million of TSN's newly issued 6.5% Senior Exchangeable PIK Notes due 2014, exchangeable for TSC common stock. In addition, on February 5, 2008, TSC and TSN entered into a Master Investment agreement with Harbinger affiliates that provided for the purchase by Harbinger of $50 million Exchangeable Notes, notes not scheduled to mature until February 14, 2014. See F-21 of TSN, attached hereto as Exhibit "L."

17. The above is relevant because since the insiders, the preferred shareholders, refused to exchange and the redemption date was allowed to pass, there was a *technical*, though not *actual*, default that enabled the race to the bankruptcy court so that valuable assets could be

sold to insiders at a fraction of the true value. Absent a showing of clear good faith or that arms-length transactions were involved, there is the likelihood that Equity's interests will not be considered, rendering Mr. Perez, and the remainder of Equity, without protection and without a voice in this proceeding unless an examiner is appointed.

D. Appointment in the Interests of All.

18. The appointment of an examiner would be in the interests of all other stakeholders. Creditors are not receiving cash in full; rather, they are receiving notes of undetermined value. Preferred shareholders are scheduled to receive only common shares of the reorganized debtors. In addition, many preferred shareholders are also holders of common stock. Clearly, preferred shareholders would welcome a recovery on their common shares as well.

19. This was noted by the Court in the hearing of September 21, 2011, wherein the Court stated that "the unsecured creditor Elektrobit as well as creditors who hold either or both preferred and common shares, such as Solus, Harbinger and Highland. These creditors would stand to gain if additional recovery was available in these cases." See Transcript, p. 12, Lines 1-4, attached hereto as Exhibit "M."

20. Courts have held that such an appointment is warranted "to pursue possible claims due to a conflict of interest and fraudulent transfers, and "could result in additional sums of money coming into the estate". *In re Microwave Prods. of Am., Inc.*, 102 B.R. 666, 676 (Bankr.W.D.Tenn.,1989); In re McCorhill Pub., Inc., 73 B.R. 1013 (Bkrtcy.S.D.N.Y.,1987)(noting the need to appoint a trustee where inter-company financial transfers were present).

IV. QUESTIONABLE VALUATION IS CAUSE TO APPOINT EXAMINER

21. An examiner is also necessary to review the valuation of the Intangible Assets of the Debtor, including the Spectrum, which appears to have been seriously undervalued. The Spectrum is the essence of the business and, as such, the valuation placed on this asset by the Debtor is not only an issue for objecting to the confirmation of the Chapter 11 Plan, it is an issue relevant to the appointment of an examiner. Equity, such as Mr. Perez, having lost the value of their investment, should not be required to spend additional funds to obtain an expert to conduct an independent valuation.

22. The value indicated by the Debtor for the Intangible Asset is not reasonable and there has been no attempt to account for the decline from the value reflected on TSC's Financial Statements for 2008 ($359,013,000) and 2009 ($362,304,000). The inexplicability of the value given by the Debtor for this asset is even more evident when one considers the burgeoning demand for this asset and the surge of cell phone usage. While these issues can be addressed in connection with confirmation, that will likely result in further delay and added expense. The appointment of an examiner would be expeditious.

23. The great discrepancy of valuations alone warrants independent review to ensure an accurate a valuation as possible, rather than relying upon the discounted cash flow analysis offered by the Debtor, an analysis that is inappropriate since an organization such as the Debtor, in its developmental stage, is without revenue and therefore the discounted cash flow analysis is not a meaningful standard of measurement of future performance or the true value of the entity's assets.

V. DEBT THRESHOLD MET

24. It is clear that under the plain reading of Section 1104(c) of the Bankruptcy Code, the appointment of an examiner is mandatory in those cases in which an investigation of the debtor is appropriate including an investigation of any allegations of mismanagement or irregularity in the management of the affairs of the debtor or by the current or former management of the debtor if, under subsection (1), such appointment is in the interest of creditors, any equity security holders and other interests of the estate; or (2) the debtor's fixed liquidated unsecured debts other than debts for goods, services or taxes owing to an insider exceed five million dollars. *See, e.g., In re Revco D.S., Inc.*, 898 F.2d 498 (6^{th} Cir. 1990) (reversing order of bankruptcy court and district court denying motion for the appointment of an examiner and directing bankruptcy court to appoint an examiner to review prepetition leveraged buy-out).

25. However, here appointment is further warranted because the debt threshold has been met since the claim of Elektrobit, Inc. is in excess of twenty-five million. The Elektrobit claim is owed under a guaranty that TSC provided to TSN so as such would not be a trade debt. The claim has not been scheduled as ‘unliquidated’ debt so the requirement in 1104(c) that a claim counted toward the threshold be ‘liquidated’ has been met. Furthermore, there exists a possible fraudulent conveyance claim against TSN with respect to the transfer of a thirty million dollar prepayment under the spectrum lease to TSN by Motient Venture Holdings, one of the TSC debtors at a time when both Motient and TSN were insolvent. If successful, the avoidance of the claim, in conjunction with a proper re-evaluation of the intangible assets, a greater distribution could result.

CONCLUSION

26. Clearly, the appointment of an examiner in this case, as in all large reorganization cases in which significant questions have been raised and, in particular, where an entire class, equity, is without representation of any kind. The cost of such appointment would not be unduly burdensome for this Debtor, so clearly able to pay significant sums for legal representation yet who vigorously resists the appointment of an independent examiner. In view of the ability of the Debtor to pay significant sums on behalf of itself and the controlling preferred shareholders, it is particularly unreasonable to conclude that the cost of an examiner would be prohibitive.

27. In view of apparent conflicts of interest, the myriad of questions regarding the propriety of intercompany transfers, the absence of arms-length transactions, the improper use of a discounted cash flow analysis, the unreasonably low valuation of a significant and valuable asset, and the absence of any oversight for equity's interests, this Court should conclude that the appointment of an independent examiner is warranted.

Dated: November 14, 2011

By: /s/ NELSON C. BELLIDO
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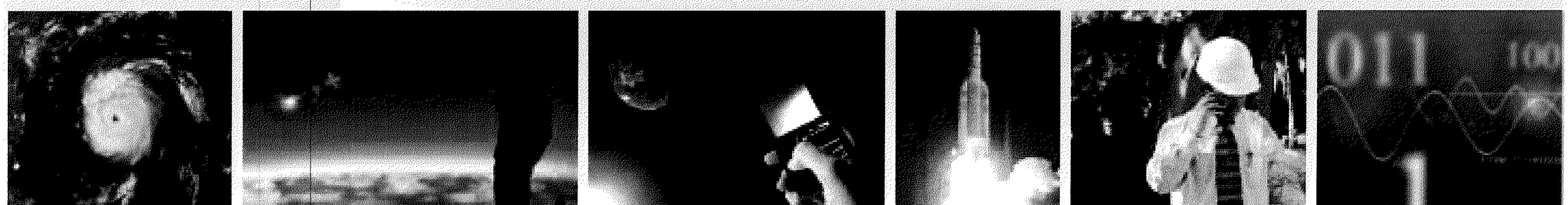
EXHIBIT A

TerreStar

Mobile Communications. Redefined.



December 2009

Safe Harbor

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995:

This presentation includes "forward looking statements." All statements other than statements of historical facts included in this presentation regarding the prospects of our industry and our prospects, plans, financial position and business strategy, may constitute forward looking statements. These statements are based on the beliefs and assumptions of our management and on the information currently available to our management at the time of such statements. Forward looking statements generally can be identified by the words "believes," "expects," "anticipates," "intends," "plans," "estimates" or similar expressions that indicate future events and trends. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these expectations may not prove to be correct. Important factors that could cause actual results to differ materially from our expectations are disclosed in our filings with the United States Securities and Exchange Commission ("SEC"). All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements included our SEC filings. Factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those projected include, but are not limited to, our ability to obtain financing, obtain and maintain regulatory approvals, generate sufficient cash flows, develop our universal chipset architecture, achieve market acceptance for our services, develop our network and generate technological innovations.

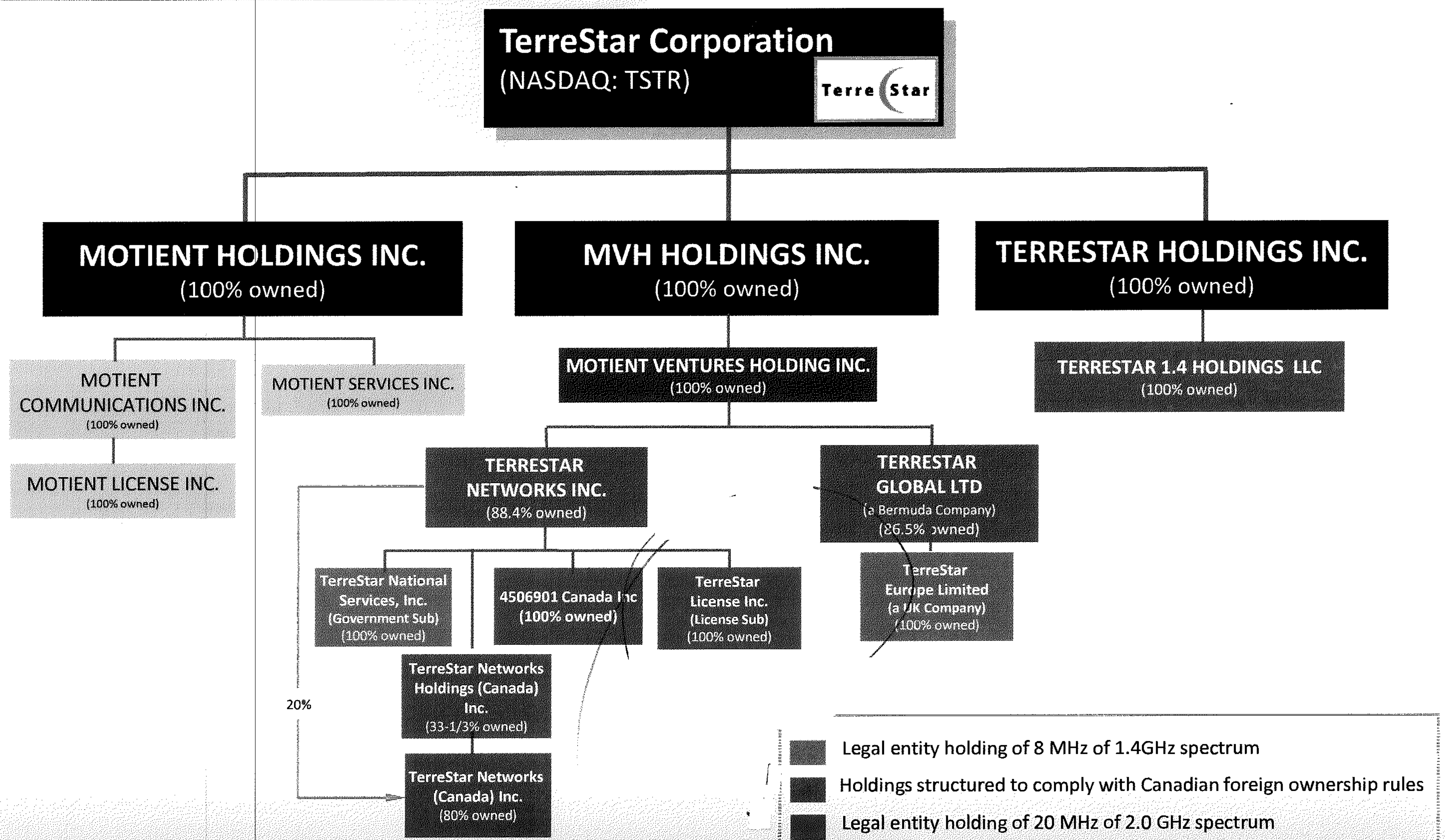
The forward-looking statements in this presentation are made only as of the date of this presentation.

We undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

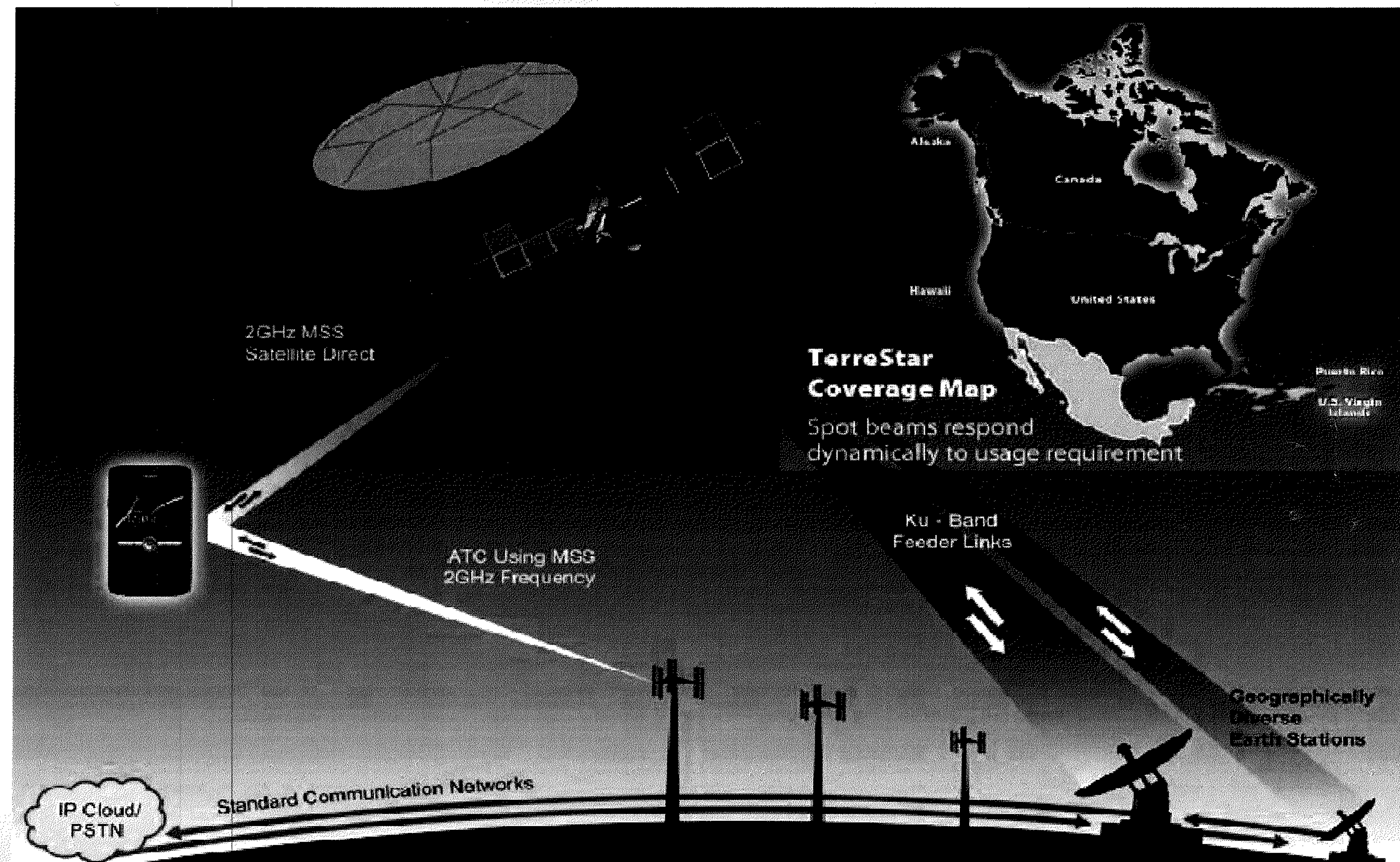
TerreStar Delivers in 2009

- Introduced the world's first quad-band GSM and tri-band WCDMA/HSPA smartphone with integrated all-IP satellite-terrestrial voice and data capabilities – TerreStar Genus™.
- Signed agreements with Qualcomm and Infineon to add S Band satellite capability to next generation mobile chipsets enabling integrated satellite functionality in mass-market devices costing about the same as cellular-only devices.
- Launched the world's largest, most powerful commercial communications satellite - TerreStar-1 and successfully deployed its 18 meter reflector, the largest commercial satellite antenna ever unfurled.
- Brought on-line redundant gateway earth stations in the United States and Canada.
- Completed the first end-to-end phone call over TerreStar-1 between two TerreStar GENUS™ smartphones and satisfied last regulatory milestones.
- Announced the successful completion of in-orbit testing of TerreStar-1.
- Activated an all-IP, 4G core network.
- Executed a distribution agreement with AT&T whereby AT&T will offer the TerreStar GENUS solution to its government and commercial customers.
- Signed multi-year, multi-million dollar revenue lease of 1.4GHz spectrum asset.
- Received FCC and industry certification for the TerreStar GENUS™ smartphone.

TerreStar Corporate Structure



Integrated Network Architecture



TerreStar

Significant Development Progress

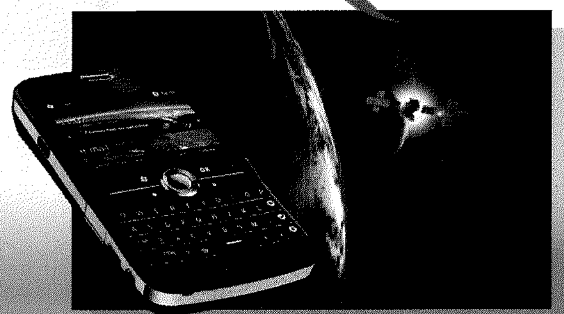
TerreStar Networks Strategy

- **Spectrum Perfected, License Secured**
  - Successful Satellite Launch
  - Call Completed Over Satellite with Integrated Satellite-Terrestrial Devices
  - All FCC and IC Milestones Achieved
- **Minimize Risk**
  - Experienced Management
  - Market-Defining Technology
  - Tier 1 Partners and Suppliers
- **Prudent Capital Plan**
  - Targeted and Prioritized Technology Spend
  - Aggressive Operating Expense Reduction
  - Restructured Agreements with Partners and Suppliers

TerreStar

Significant Assets and Capabilities

TerreStar
Mobile Communications. Redefined.



Assets

- Most powerful two-way commercial communications satellite ever launched
- TerreStar-2 underway
- 2 Satellite Gateways licensed, ground segments completed -- in testing
- ATC global IP license portfolio

Capabilities

- Beam coverage: United States, Canada, Puerto Rico, Hawaii, Alaska and US Virgin Islands
- Capable of generating approximately 500 simultaneous spot beams

Significant 2 GHz Ecosystem

Industry-Leading Partners and Suppliers

Critical Partner Ecosystem is in Place and Executing to Plan

Satellite Partners

LORAL Space & Communications

arianespace service & solutions

Devices Partners

QUALCOMM

infineon

TechFaith

OSS/BSS Partners

ams

CGI

accenture

Network Partners

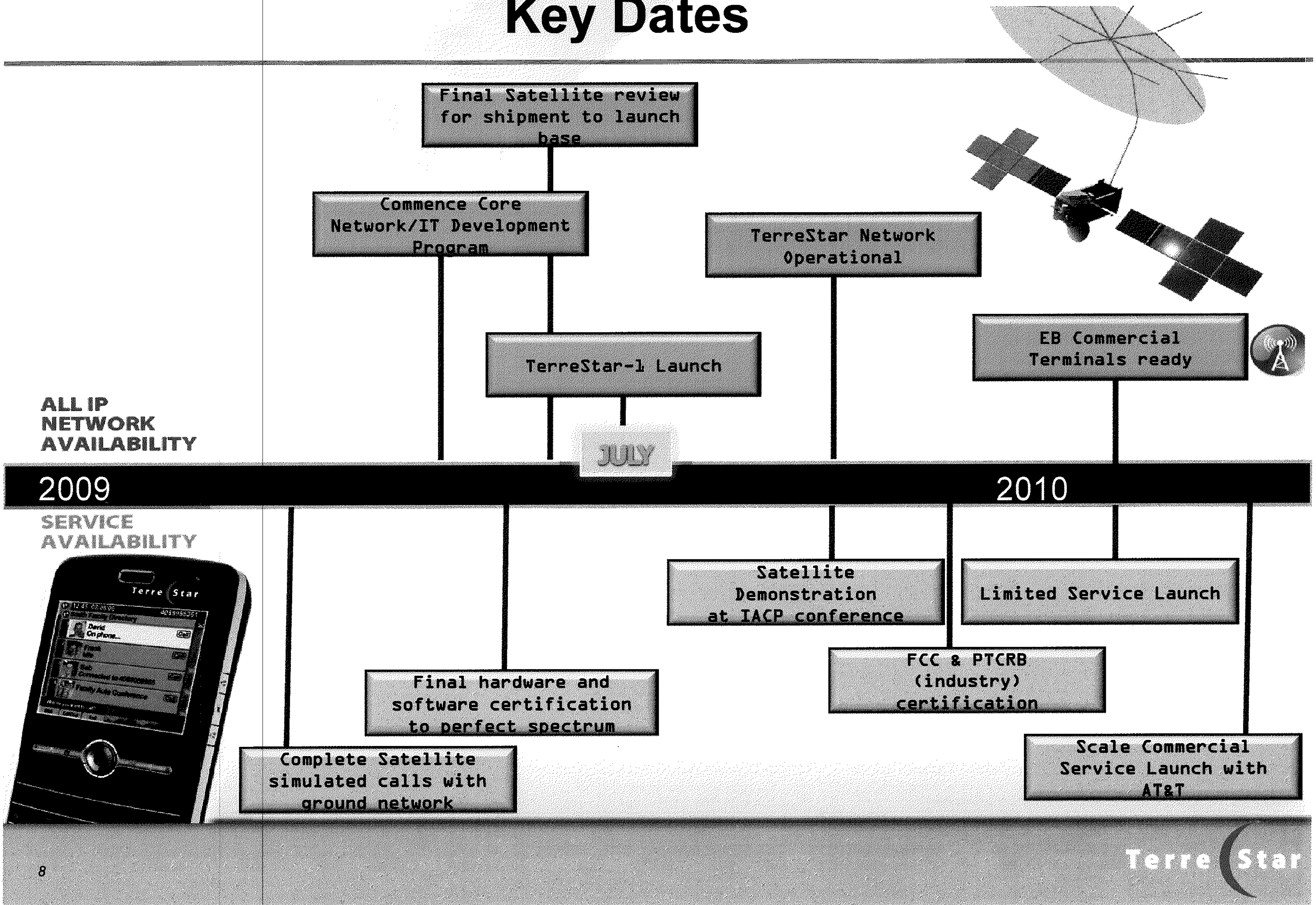
HUGHES

CISCO

Nokia Siemens Networks

TerreStar

Key Dates


Final Satellite review for shipment to launch base
Commence Core Network/IT Development Program
TerreStar Network Operational
TerreStar-1 Launch
EB Commercial Terminals ready
ALL IP NETWORK AVAILABILITY
JULY
2009
2010
SERVICE AVAILABILITY
Satellite Demonstration at IACP conference
Limited Service Launch
FCC & PTCRB (industry) certification
Final hardware and software certification to perfect spectrum
Complete Satellite simulated calls with ground network
Scale Commercial Service Launch with AT&T
TerreStar

TerreStar GENUS™ Smartphone

FCC & PTCRB (industry) certification -- December 2009

Customizable
- Components usable by any ODM

User Interface
- Windows Mobile Professional 6.5
- Touch Screen
- QWERTY Keyboard

Terrestrial
- Dual-band WCDMA (850 and 1900)
- Quad-band GSM/EGPRS (850,900,1800,1900)
- Wi-Fi
- Bluetooth

Satellite
- 2.x GHz GMR-3G
- No external antenna

Form Factor
- Conventional Size & Weight
  - 4.2” x 2.5” x 0.8”
  - 5.2 ounces (with battery)

Next Generation Chipsets

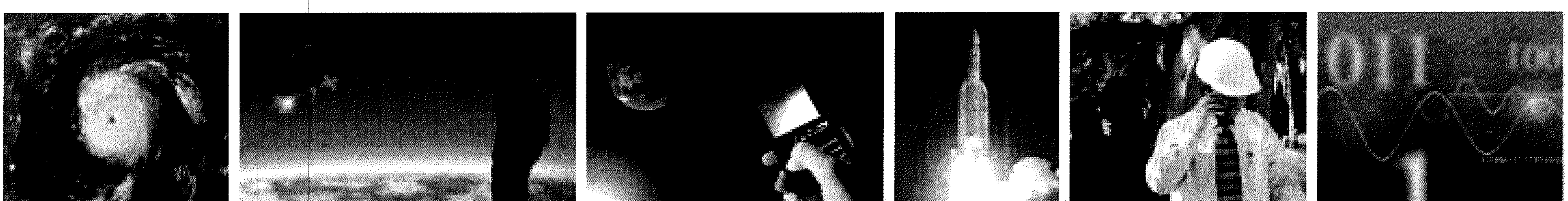
	GSM/HSPA/LTE/GMR-3G	CDMA/HRPD(EVDO)HSPA+/LTE/sHRPD
Chipset	**Infineon** • Software Defined Radio – Programmable protocols – Support for all major frequency bands • High volume / Low cost chips • Lower power consumption	**Qualcomm** • Qualcomm Chipset – sHRPD Satellite Protocol in future chips • Significant downstream channels • High volume / Low cost chips • Universal – 3GPP, 3GPP2, CDMA
Satellite Base Stations	**Hughes Network Systems** • Native support for GMR3-G Satellite Protocol	**Alcatel-Lucent** • Leverage Commercial Base Stations – Higher Volumes

Competitive Overview

	System	Voice/Data Capabilities	Handsets / Terminals	Other
TerreStar Mobile Communications. Redefined.	• Next generation system with configurable spot beams	• Voice, data up to 400 kbps • Broadcast mobile video capable	• PDA size GSM/satellite handsets, priced slightly higher than standard cellular PDAs	• NA
ICO	• Next generation system with configurable spot beams	• Mobile video to vehicle platform (MIM - Mobile Interactive Media) for video and two-way messaging	• NA	• NA
SKYTERRA COMMUNICATIONS	• Legacy system • GEO two satellites covering N, central and part of S. America	• NA	• Large expensive terminals $4000+	• Planned next generation system similar to TerreStar's
iridium	• Legacy system	• 2.4k voice, 2.4k data	• Large expensive handsets ($1500 handset)	• $1-2/min
Globalstar	• Legacy system	• Voice, data up to 9.6 kbps	• Large expensive handsets	• Failing satellite system
inmarsat	• Legacy system	• Voice, data up to 492 kbps	• Large, expensive terminals & devices	• NA

Roam-In Business Model

- **Definition: Roam-In Service**
  - Effectively allows customers of GSM carriers to “roam-in” to satellite coverage
  - Requires GSM customers to purchase a satellite enabled handset
- **Roam-In Business Model**
  - GSM carriers will pay a monthly recurring charge per subscriber plus usage charges
  - Introduced as an additional service feature from GSM operators, and would appear on the customers’ bill from the carrier
  - Satellite usage charges will appear as roaming charges on the customers’ bill



The Roam-In Value Proposition

TerreStar
Mobile Communications. Redefined.

Roam-In Value Proposition For:

Channel Partners	GSM Customers
• Fills network gaps for carriers • Enhances customer retention • Utilizes existing form factor devices • Creates new market opportunities • Creates a key competitive differentiator	• Provides complete coverage nationwide • Single device for everyday and disaster communications • More robust voice and date applications (than existing MSS)

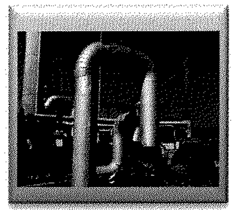
Addressable Wireless Market Segments

A number of wireless market segments would benefit from the addition of TerreStar service capabilities

Government & Public Safety

- First Responders, Public Safety Personnel & Essential Mission Critical Personnel
- Continuous coverage when terrestrial networks are unavailable

Industry/Enterprise



- Need for communication and vertical applications for business continuity and in remote areas
- All enterprise markets, including finance & insurance, transportation & logistics, extractive industries, oil & gas, agriculture, forestry, etc.

Outdoor Adventurers

- Adventurous travelers to parks and nature areas, leisure boaters, ATV/4x4/snowmobilers, mountain bikers…
- For use in emergencies and occasional communications

Rural Population

- Consumers and small business users living/working in areas where terrestrial coverage is poor
- For use for basic communication

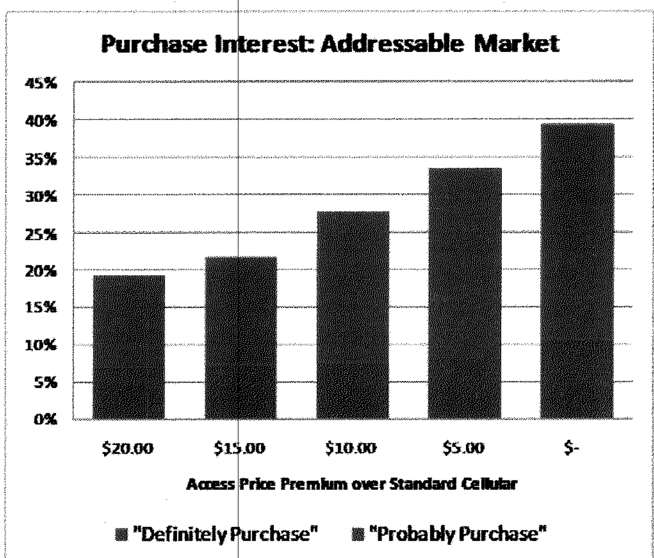
Safety Conscious

- Risk averse business and consumers willing to pay a premium for safety and peace of mind
- For use primarily in emergency situations

Breakdown of US Market Segments

US Market of ~50M for integrated terrestrial/satellite service

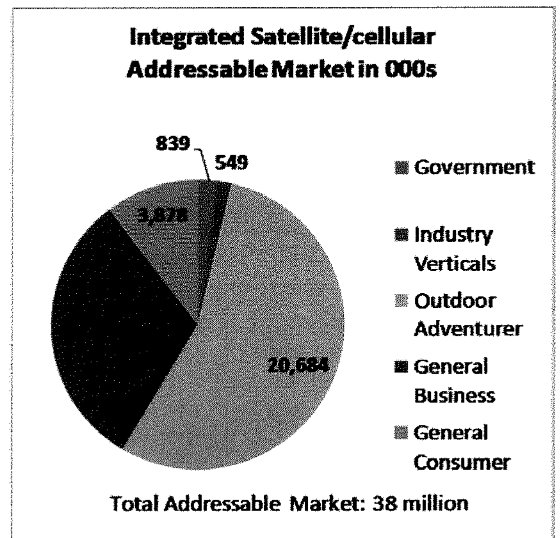
- At a $20 monthly premium, almost 20% of cellular subscribers indicated an interest in purchasing integrated cellular/satellite services
- This equates to a potential total addressable market size of over 50M (270M US cellular market x 19.5% = 53M)
- 10% of business cellular subscribers indicated they would definitely purchase at a $20 premium



Source: Frost & Sullivan Ubiquitous Coverage Survey January 2008

Breakdown of US Integrated Satellite/Cellular Market

- Bottom-up approach to defining addressable market results in 38M market size
- Achieving 38M market size depends on bringing equipment costs down to no more than $50 premium over standard cellular devices
- Earliest adopters will be government/public safety, industry verticals, and outdoor adventurers



Source: Sources: US Bureau of labor statistics, National Fire Protection Association, Department of Justice website, Office of Management and Budget, FEMA website, National Survey on Recreation and the Environment, USDA Forest Service, National Marine Manufacturers Association, US Census Bureau, TerreStar market feedback and analysis

TerreStar

Significant Progress on Roam-In

TerreStar has made significant progress towards launching the Roam-In business

Execution of Roam-In Plan

Perfected Spectrum & Secured License

- Successfully launched satellite into orbit on July, 1 2009
- First successful call over satellite using TerreStar smart phones completed on July 19, 2009
- All FCC and IC milestones achieved

Technological Ecosystem

- Integrated satellite / ground-based design
- Handsets achieved FCC and industry certification in December 2009
- Third-party handset certification process underway
- R&D agreements in place with Infineon and Qualcomm for chip development
- Nokia base stations available, with next gen LTE versions expected to be available in 2011

Roaming-Agreements

- AT&T roaming agreement executed
- In discussions with other carriers

Third Party Distribution Agreements

- AT&T distribution agreement executed
- Significant progress in negotiating distribution agreements with third-parties
- Creates a distribution channel for TerreStar handsets and satellite services
- Currently integrating logistics, provisioning, billing and customer care operations with initial MNO.

Roam-In Revenues Expected To Begin in 2010

TerreStar

1.4 GHz Spectrum

- **8 year lease term with ROFR purchase option at $250M or value of competing offer**
  - Lease payments $1M per month for first eight months; $2M per month thereafter
  - Lease commenced October 2009

ATC Opportunities

- **Several Integrated Satellite / ATC opportunity classes identified**
  - 4G upgrade for existing carriers
  - 4G capacity expansion for existing carriers
  - Market / geographic expansion
  - Industry vertical applications (Smart Grid, transportation, government…)
- **Project activity underway in all classes**
- **Commercial availability of 2.0 GHz LTE equipment expected in 2011**
- **MNOs experiencing rapidly increasing demand for data services on 3G networks and face increasing spectrum limitations**
- **4G demands even more spectrum for implementation**
- **FCC ATC authorization application pending**
- **TS-2 (ground spare) 85% complete and on schedule to permit commencement of commercial ATC operations in late 2010**

Financials

Consolidated Condensed Balance Sheet 9/30/09

Unaudited (*$ in millions*)

Cash and Cash Equivalents	$72.3	Accounts Payable and Accrued Expenses	$22.0
Other Current Assets	$8.6	Dividend Payable on Series A & B and Other Current Liabilities	$31.6
Total Current Assets	**$81.0**	**Total Current Liabilities**	**$53.5**
Fixed Assets, Net	$900.6	Notes and Accrued Interest, Net of Discount	$904.6
Intangible Assets, Net	$345.8	Other Long Term Liabilities	$24.8
Other Long Term Assets	~~$13.3~~	**Total Long Term Liabilities**	**$929.4**
Total Long Term Assets	**1,259.8**		
		Series A Convertible Preferred Stock	$90.0
		Series B Convertible Preferred Stock	$318.5
		All Other Equity and APIC	$1,203.0
		Accumulated Deficit	($1,253.7)
		Total Shareholder's Equity	**$357.8**
Total Assets	**$1,340.8**	**Total Liabilities and Shareholder's Equity**	**$1,340.8**

TerreStar

TerreStar Capitalization and Market Value

as of September 30, 2009

($ in millions, except share data)	Book Value
Current Share Price as of 9/30/2009	$2.29
Common Shares Outstanding	139.7
Options, Warrants and Convertible Instruments	30.0
Fully Diluted Shares Outstanding	169.7
Equity Value	**388.6**
Plus:	
TerreStar Networks 16.5% Senior Secured PIK Notes due February 15, 2014	$810.4
TerreStar Networks 6.5% Exchangeable PIK Notes due June 15, 2014	$167.0
TerreStar-2 14.0% Purchase Money Credit Agreement due February 5, 2013	$65.3
Total Debt	**$1,042.7**
Plus:	
Series A Cumulative Convertible Preferred Stock	$90.0
Series B Cumulative Convertible Preferred Stock	$318.5
Series C Preferred Stock	$0.0
Series D Preferred Stock	$0.0
Series E Junior Participating Preferred Stock	$0.0
Total Preferred	**$408.5**
Less:	
Cash and Cash Equivalents	($72.3)
Total Enterprise Value	**$1,767.5**

Senior Secured PIK Notes:
Original Issue Amount $550 million
Maturity: 2/14/2014
PIK Interest: 16.5% on 2/15 & 8/15

Senior Exchangeable PIK Notes:
Original Issue Amount: $150 million
Maturity: 6/15/2014
Interest: PIK thru 3/2011 at 6.5%
Conversion: TSTR shares at $5.57/share

TerreStar-2 Credit Agreement:
Commitment: $100 million
Outstanding: $65.3 million
Maturity: 2/5/2013
Interest: PIK thru 2/2012 at 14%

Series A&B Preferred Stock:
Series A Amount: $90.0 million
Series B Amount: $318.5 million
Series A&B Maturity: 4/15/2010
Conversion: TSTR shares at $33.33/share
Dividends: 5.5% cash or 6.5% common
Paid on 4/15 & 10/15

Series E Junior Preferred Stock:
1.9 million shares authorized and 1.2 million issued on 6/10/2008, convertible into TSTR shares at a rate of 25:1

TerreStar

2.0 Ghz Genus Phone… not 1.6 Ghz

- **AT&T TerreStar GENUS™ Satellite and Cellular Smartphone**
- Email to a Friend
- Be the first to review this product

EXHIBIT B

TSC

Why did we Invest?

Financial Statement 2008

Narrative Description of the Business

TerreStar Networks Inc.

TerreStar Networks is our principal operating entity. In cooperation with its Canadian partner, 4371585 Canada, we plan to launch an innovative wireless communications system to provide mobile coverage throughout the United States and Canada using small, lightweight and inexpensive handsets similar to today's mobile devices. This system build out will be based on an integrated satellite and ground-based technology which will provide service in most hard-to-reach areas and will provide a nationwide interoperable, survivable and critical communications infrastructure.

By offering MSS using frequencies in the 2GHz band, which are part of what is often known as the "S-band", in conjunction with ATC, we can effectively deploy an integrated satellite and terrestrial wireless communications network. Our network would allow a user to utilize a mobile device that would communicate with a traditional land-based wireless network when in range of that network, but communicate with a satellite when not in range of such a land-based network. We intend to provide multiple communications applications, including voice, data and video services. Through TerreStar Networks, we are in the process of building our first satellite pursuant to a construction contract with Loral. Once launched, our TerreStar-1 satellite, with an antenna approximately sixty feet across, will be able to communicate with conventionally sized wireless devices currently being developed by our vendors.

Our ability to offer these services depends on TerreStar Networks' right to receive certain regulatory authorizations allowing it to provide MSS/ATC in the S-band. These authorizations are subject to various regulatory milestones relating to the construction, launch and operational date of the satellite system required to provide this service. We may be required to obtain additional approvals from national and local authorities in connection with the services that we wish to provide in the future. For example, in order to provide ATC in the United States and Canada we must file applications separately from our satellite authorizations. In addition, the manufacturers of our ATC user terminals and base stations will need to obtain FCC equipment certifications and similar certifications in Canada.

TerreStar Networks was initially created as a subsidiary of SkyTerra, formerly known as MSV, established to, among other things, develop a satellite communications system using the S-band. On May 11, 2005, we acquired our ownership interest in TerreStar Networks when, in conjunction with a spin-off of TerreStar Networks to the owners of MSV, we purchased an additional $200 million of newly issued TerreStar Networks common stock. In conjunction with this transaction, TerreStar Networks also entered into an agreement with MSV's wholly-owned subsidiary, ATC Technologies, LLC ("ATC Technologies") pursuant to which TerreStar Networks has a perpetual, royalty-free license to utilize ATC Technologies' patent portfolio in the S-band.

TSC
Why did we Invest?
Financial Statement 2007

Narrative Description of the Business

TerreStar Networks Inc.

TerreStar Networks is our principal operating entity. In cooperation with its Canadian partner, 4371585 Communications and Company, Limited Partnership ("4371585 Communications"), formerly TMI Communications and Company, Limited Partnership, we plan to launch an innovative wireless communications system to provide mobile coverage throughout the U.S. and Canada using small, lightweight and inexpensive handsets similar to today's mobile devices. This system build out will be based on an integrated satellite and ground-based technology which will provide service in most hard-to-reach areas and will provide a nationwide interoperable, survivable and critical communications infrastructure.

By offering mobile satellite service ("MSS") using frequencies in the 2GHz band, which are part of what is often known as the "S-band", in conjunction with ancillary terrestrial components ("ATC"), we can effectively deploy an integrated satellite and terrestrial wireless communications network. Our network would allow a user to utilize a mobile device that would communicate with a traditional land-based wireless network when in range of that network, but communicate with a satellite when not in range of such a land-based network. We intend to provide multiple communications applications, including voice, data and video services. TerreStar Networks is in the process of building its first satellite pursuant to a construction contract with Space Systems/Loral, Inc. ("Loral"). Once launched, our TerreStar-1 satellite, with an antenna approximately sixty feet across, will be able to communicate with standard wireless devices.

Our ability to offer these services depends on TerreStar Networks' right to receive certain regulatory authorizations allowing it to provide MSS/ATC in the S-band. These authorizations are subject to various regulatory milestones relating to the construction, launch and operational date of the satellite system required to provide this service. We may be required to obtain additional approvals from national and local authorities in connection with the services that we wish to provide in the future. For example, in order to provide ATC in the

Continue to Invest 2.0

F-8

United States and Canada we must file additional applications separately from our satellite authorizations. In addition, the manufacturers of our ATC user terminals and base stations will need to obtain FCC equipment certifications and similar certifications in Canada.

TerreStar Networks was initially created as a subsidiary of MSV established to, among other things, develop a satellite communications system using the S-band. On May 11, 2005, we began to increase our ownership interest in TerreStar Networks when, in conjunction with a spin-off of TerreStar Networks to the owners of MSV, we purchased an additional $200 million of newly issued TerreStar Networks common stock. In conjunction with this transaction, TerreStar Networks also entered into an agreement with MSV's wholly-owned subsidiary, ATC Technologies, LLC ("ATC Technologies") pursuant to which TerreStar Networks has a perpetual, royalty-free license to utilize ATC Technologies' patent portfolio in the S-band, including those patents related to ATC, which we anticipate will allow us to deploy a communications network that seamlessly integrates satellite and terrestrial communications, giving a user ubiquitous wireless coverage in the U.S. and Canada.

Since May 11, 2005, we have consolidated TerreStar Networks financial results in our financial statements.

Through TerreStar Networks, we plan to develop, build and operate an all IP-based 4G integrated satellite and terrestrial communications network to provide mobile communication services throughout the United States and Canada. Our network will address the growing demand for wireless mobile services across the government, commercial, and consumer segments. We plan to market these services on a wholesale basis to government agencies and commercial enterprises.

We have the right to use two 10 MHz blocks of contiguous and unshared MSS S-band spectrum covering a population of over 330 million throughout the United States and Canada. All of our spectrum is eligible for ATC status. ATC authorization provides the ability to integrate terrestrial mobile services with MSS. We anticipate using this ATC authorization to create a two-way wireless communications network providing coverage, services and applications to mobile and portable wireless users. Our planned network is designed to allow an end user to seamlessly communicate with a terrestrial wireless network or our satellite through a conventional mobile device, optimizing service quality, continuity and geographic coverage.

We believe our planned all IP-based 4G network design will improve on existing network architecture and components to deliver greater network capacity, more efficiently and at a lower cost, than existing wireless networks. In December 2008, we plan to launch our first multi-spot beam geostationary satellite, TerreStar-1, which is designed so that the beams can be refocused dynamically. We are also currently developing a next-generation terrestrial network, which we believe will enable us to offer our integrated satellite/terrestrial service by the end of 2009. We are working with several vendors to develop a universal chipset architecture that can be incorporated into a wide range of mobile devices, including small, lightweight and inexpensive handsets.

We believe our network's satellite and terrestrial mobile capabilities will serve the needs of various users, such as U.S. and Canadian government and emergency first responder personnel who require reliable, uninterrupted and interoperable connectivity that can be provided by an integrated satellite and terrestrial network. In October 2006, we entered into a Cooperative Research and Development Agreement ("CRADA") with the U.S. Defense Information System Agency ("DISA") to jointly develop a North American emergency response communications network. We expect the CRADA to result in the development of products that will mutually benefit us and the U.S. government. We also believe that our planned network will appeal to a broad base of potential end users, customers and strategic partners, including those in the media, technology and communications sectors, logistics and distribution sectors and other sectors requiring uninterrupted wireless service.

EXHIBIT C

Press Releases

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TerreStar Successfully Launches World's Largest, Most Powerful Commercial Communications Satellite

Posted on Wed, Jul 01, 2009

Deployment of TerreStar-1 Marks Significant Milestone for both TerreStar and the Mobile Communications Industry - as TerreStar is Closer to Delivering a Truly Integrated Satellite-Terrestrial Mobile Communications Network

KOUROU, French Guiana - July 1, 2009 - Mobile communications provider TerreStar Networks Inc. (TerreStar), a majority-owned subsidiary of TerreStar Corporation (NASDAQ: TSTR), announced today the successful launch of TerreStar-1, the world's largest, most advanced commercial communications satellite. Today's launch is a major achievement in TerreStar's strategic vision of delivering voice, data and video services on an all IP next-generation mobile broadband network that combines the power of TerreStar-1, an all-IP core network, and the latest in smartphone technology.

Launched by Arianespace from Kourou, French Guiana today, TerreStar-1 is the foundation for TerreStar's satellite communications network; ensuring network resiliency and availability during times of critical communications need.

"With the successful launch of TerreStar-1, we are redefining the mobile communications landscape," said Dennis Matheson, CTO of TerreStar. "We are creating a new paradigm in mobile broadband network services and devices that will leverage our integrated satellite and terrestrial communications components to enable true ubiquity and reliability - anywhere in the United States and Canada."

"Today's launch is just the beginning of the TerreStar story," said TerreStar President, Jeff Epstein. "We believe there are tremendous opportunities ahead - in both the commercial and government sectors - and we remain focused on our promise to help solve the critical communications and business continuity challenges faced by government, emergency responders, enterprises and rural communities."

Prior to the launch of TerreStar-1, the Company, with its partner EB (Elektrobit), introduced the world's first quad-band GSM and tri-band WCDMA/HSPA smartphone with integrated all-IP satellite-terrestrial voice and data capabilities. Similar in size to today's mainstream mobile devices, TerreStar's dual-mode smartphone will allow users to seamlessly and securely stay connected to TerreStar's satellite and terrestrial network.

TerreStar's network will operate in two 10-Mhz blocks of contiguous MSS spectrum in the 2 GHz band throughout the United States and Canada - with a spectrum footprint that covers a population of nearly 330 million.

To watch or download video coverage or images of the TerreStar-1 launch, or for more information about TerreStar, please visit: www.terrestar.com.

About TerreStar Corporation

TerreStar Corporation is the controlling shareholder of TerreStar Networks Inc. and TerreStar Global Ltd. For additional information on TerreStar Corporation, please visit the company's website at www.terrestarcorp.com.

About TerreStar Networks Inc.

TerreStar Networks (www.terrestar.com), a majority owned subsidiary of TerreStar Corporation (NASDAQ: TSTR), plans to offer a reliable, secure and resilient satellite terrestrial mobile broadband network that will provide voice, data and video services dedicated to helping solve the critical communication and business continuity challenges faced by government, emergency responders, enterprise businesses and rural communities. TerreStar expects to offer next generation mobile communications through a network of partners and service providers to users who need "anywhere" coverage throughout the United States and Canada.

EXHIBIT D

at&t

News Release

For more information, contact:
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AT&T ANNOUNCES AGREEMENT WITH TERRESTAR TO OFFER INTEGRATED CELLULAR/SATELLITE SOLUTION

With One Device, Users Can Realize Expanded Voice and Data Coverage from AT&T in the United States and in Offshore Coastal Waters

DALLAS, Sept. 30, 2009 — AT&T* has announced plans to work with TerreStar Networks to offer an integrated smartphone mobility solution that will combine primary cellular wireless connectivity with the ability to connect to a satellite network as a backup, using one phone number and one smartphone device.

The AT&T integrated solution will redefine the mobile satellite services experience by providing users with easy access to both cellular and satellite networks through a cutting-edge handset that is both smaller and more feature-rich than previous satellite devices. The TerreStar Genus™ dual-mode cellular/satellite smartphone gives users the option to access theTerreStar™ satellite network when AT&T's cellular wireless network is unavailable. Qualified AT&T wireless users with a line of sight to the satellite will be able to access expanded voice and data coverage in the United States, Puerto Rico, and the U.S. Virgin Islands and in territorial waters.

When cellular networks are unavailable, TerreStar's satellite will act as a cell site in the sky to provide the necessary coverage to help users stay connected. The solution announced today is well-suited for government, energy, utility, transportation and maritime users. It can provide a critical communications back-up capability, important to public safety agencies, first responders, emergency services and disaster recovery groups.

"AT&T continues to drive the emergence of new categories of devices and applications that are enhanced by wireless network connectivity," said Joe Lueckenhoff, senior vice president, product management, wireline and mobility services, AT&T Business Solutions. "Today's

EXHIBIT E

Space: The final frontier for cellphones?

Enlarge By Jae C. Hong, AP

In this Wednesday, April 1, 2009 photo, a prototype satellite phone is shown at the TerreStar booth at the International CTIA Wireless show in Las Vegas. SkyTerra and TerreStar say their new satellites, combined with advances in chip technology, can take satellite telephony from being a niche to the mainstream, something you'd buy in an AT&T store.

By Peter Svensson, AP Technology Writer

LAS VEGAS — The vast, thinly populated expanses of the country that still lack cellphone coverage could be getting an interesting option next year: ordinary-looking cellphones that connect to a satellite when there's no cell tower around.

In June, a rocket is scheduled to lift the largest commercial satellite yet into space. In orbit 22,000 miles above the Earth, the satellite will unfurl an umbrella of gold mesh 60 feet across and aim it at the U.S. That gigantic antenna will let the satellite pick up signals from phones that are not much larger than regular cellphones.

That satellite, from TerreStar Corp., is due to be followed by two similar, even larger ones from SkyTerra Communications Inc. next year. SkyTerra puts the cost of its satellites at $1.2 billion.

On the face of it, these are bold moves, especially considering that the satellite phone business has been troubled. Most famously, two companies with grand projects for worldwide satellite phone coverage, Iridium and Globalstar, filed for bankruptcy at the beginning of the decade, wiping out billions in investor capital.

But the background to the new launches is more complicated, and analysts say the business models of TerreStar and SkyTerra ultimately might rely more on the companies becoming acquisition targets for conventional wireless carriers.

There's plenty of competition in satellite phones, even though it's a niche market. Iridium and Globalstar are still in operation, providing last-resort communications for the military, forest wardens and others who can afford to buy dedicated, bulky satellite handsets for $1,000 and up. Inmarsat offers a third alternative.

Even so, SkyTerra and TerreStar say their new satellites, combined with advances in chip technology, can take "satphones" into the mainstream — devices you'd buy in an AT&T store.

The ability to call via satellite will be marketed as "an insurance policy or peace-of-mind feature," said SkyTerra spokesman Tom Surface.

The first handsets for TerreStar's satellite would cost about $700, said TerreStar chief executive Jeff Epstein. At a cellphone trade show here last week, the company displayed a prototype built by small Finnish company, Elektrobit. The phone has a QWERTY keyboard and runs Windows Mobile software, making it similar to many BlackBerry-style, e-mail-oriented phones for corporate use, but a bit thicker. Unlike Iridium and Globalstar phones, there's no protruding antenna.

"This way, you take your BlackBerry and you replace it with that device," Epstein said.

Both companies indicate that calling over a satellite will cost less than $1 per minute, the approximate price of Iridium calls. TerreStar also has a roaming agreement with AT&T Inc. for calls that don't go through the satellite, and expects the combined satellite and ground system to be working before the end of this year.

However, neither TerreStar or SkyTerra will replicate Iridium's worldwide coverage. The phones will work in North America only. Nor will they be getting away from a significant limitation of satellite phones: The handsets need to be in clear view of a satellite. In other words, the satellite service will work only outdoors, and a hill, tree or building obscuring the southern sky can be a problem, especially if you're far north.

Given these limitations, and the steady expansion of ground-based networks, is there really a mass demand for satellite phones?

Satellite analyst and consultant Tim Farrar at TMF Associates is skeptical. He believes the number of people interested in satellite calling, even if just for emergencies, is small compared to the overall cellphone market.

"They need hundreds of thousands and more likely millions of users of these handsets to make it into the mainstream," he said. "You have to gain an awful lot of momentum before manufacturers will consider it worthwhile to build this into their handsets."

Farrar thinks marketing will be a challenge too. For mainstream adoption, sales representatives at cellphone stores would have to get customers to accept that the satellite connectivity would work only outdoors.

"Last time around, people tried out Iridium phones, and thought 'What use is this to me if I have to go out and stand in the middle of a field to make a call?'" he said.

Given these obstacles, Farrar believes the value of SkyTerra and TerreStar is in their spectrum holdings. The companies have permission from the Federal Communications Commission to use slices of the airwaves for both satellite and ground-based networks, as long as they have a satellite in orbit. The government hoped that such hybrid space-terrestrial licenses would encourage companies to provide emergency satellite coverage when cell towers are knocked out by disasters like Hurricane Katrina.

For now SkyTerra and TerreStar aren't using their spectrum for ground-based communications. Eventually, the companies could try to put the airwaves to use with their own cell towers on the ground — or they could use that spectrum to entice a carrier like AT&T or Verizon Wireless. Those companies would normally have to pay billions for spectrum with nationwide coverage, but they might find that snapping up one of these satellite companies is a cheaper way to get that access, said Armand Musey, a satellite consultant.

Investors aren't optimistic: Terrestar, which is listed on the Nasdaq, has a market capitalization of $72 million, which is paltry compared to the cost of its satellite system. SkyTerra is privately held.

"There certainly is not a market for having all of these companies — TerreStar, SkyTerra, Inmarsat, Iridium — all operating satellite-only," Musey said. "The market is just not that big."

Posted 4/9/2009 5:59 PM

EXHIBIT F

TerreStar Announces Strategic Investment by EchoStar, Harbinger & Other Investors

Source: TerreStar Networks Posted Saturday, February 9, 2008

Transaction Facilitates Funding through Satellite Launch and will Enhance TerreStar's Nationwide Spectrum Footprint

TerreStar Corporation (NASDAQ:TSTR) and its subsidiary TerreStar Networks Inc. (TerreStar), which is building the nation's first integrated mobile satellite-terrestrial (MSS/ATC) communications network, today announced that EchoStar Corporation (NASDAQ: SATS), Harbinger Capital Partners Master Fund I, Ltd. and Harbinger Capital Partners Special Situations Fund LP (collectively, Harbinger) and other investors have entered into a series of separate agreements constituting a commitment of $300 million in investments in TerreStar - with $200 million made available today at closing and the balance dedicated to funding the TerreStar-2 satellite.

As part of these transactions, TerreStar Corporation will also obtain an enhanced nationwide spectrum footprint through separate rights to certain 1.4 GHz spectrum currently held by EchoStar and Harbinger.

"These strategic investments will help drive long-term shareholder value and ensure that TerreStar has access to the requisite capital to achieve its operational launch by the end of 2008. Also, the enhanced nationwide spectrum footprint can help TerreStar accomplish its mission to offer reliable, interoperable satellite-terrestrial communications and next-generation applications for the commercial, government, rural and public safety sectors throughout North America," stated Robert H. Brumley, TerreStar chief executive officer and president.

"We are gratified that Harbinger and our other investors have strengthened their ongoing commitment to the Company -- and we are excited that EchoStar has become a strategic partner," added Brumley. "Additionally, we look forward to working with EchoStar to identify new and exciting business opportunities between the two companies," added Brumley.

As a result of this transaction, both the Boards of Directors of TerreStar Corporation and TerreStar Networks Inc. will expand to eight members with EchoStar and Harbinger each having the right to nominate two members to each board.

"We welcome the new additions to the board," added Brumley. "We value the continued advice and support from our current board members and look forward to an enhanced board with a wealth of experience in growing successful enterprises."

In addition to shareholder approval of the transaction, the spectrum transactions will also be subject to certain government approvals.

This financing will be used in part to fund the completion and launching of TerreStar-1. Space Systems/Loral (SS/L), a subsidiary of Loral Space & Communications, the manufacturer of TerreStar-1 today reported that "the main body is 100 percent complete; reference performance testing is underway; and TS-1 is scheduled to enter TVAC (Thermal Vacuum testing) on February 16, 2008." However, SS/L also reported that issues concerning TS-1's feed array could delay the delivery and launch of the satellite by three months. SS/L stated that it will provide a more definitive schedule after additional testing is completed in April 2008. Arianespace, the launch provider for TerreStar-1, has confirmed that it can launch the satellite during the December 2008 - February 2009 launch window under the innovative "launch on demand" contract between TerreStar and Arianespace.

Terms of the EchoStar Investment:

The investment by EchoStar consists of the purchase of $50 million of Exchangeable Notes issued by TerreStar. The notes are exchangeable for TerreStar Corporation's Common Stock based on a conversion price of $5.57 per share. EchoStar will also make up to $50 million of loans under a new Loan Agreement, the proceeds of which will be used to make milestone and incentive payments on the TerreStar-2 satellite. EchoStar has also purchased $50 million of additional secured PIK notes under TerreStar Corporation's existing indenture. Finally, EchoStar and TerreStar have agreed that EchoStar will provide an exclusive right to use EchoStar's current 1.4 GHz spectrum, with an option to purchase the spectrum in exchange for the issuance of 30 million shares of TerreStar Corporation's Common Stock.

Terms of the Harbinger Investment:

The investment by Harbinger consists of the purchase of $50 million of Exchangeable Notes issued by TerreStar. The notes are exchangeable for TerreStar Corporation's junior participating preferred stock, which in turn, subject to certain conditions, is convertible into common stock, at a conversion price of $5.57 per share. Harbinger will also make up to $50 million of loans under a new Loan Agreement, the proceeds of which will be used to make milestone and incentive payments on the TerreStar-2 satellite. Further, following shareholder approval, Harbinger will assign to TerreStar Corporation its rights to acquire certain 1.4 GHz spectrum licenses in exchange for 1.2 million shares of newly issued, non-voting junior participating preferred stock (which is convertible into 30 million shares of TerreStar Corporation's Common Stock under certain circumstances).

In addition, certain existing TerreStar Corporation shareholders have purchased in the aggregate $50 million of Exchangeable Notes issued by TerreStar. The notes are exchangeable for TerreStar Corporation's common stock at a conversion price of $5.57 per share.

The securities were sold in a private transaction under the Securities Act. The securities have not been registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

Copies of related documents filed with the Securities and Exchange Commission (SEC) will be available on the SEC's Web site (www.sec.gov) under the company name "TerreStar Corporation" and through the TerreStar Investor Relations link at phx.corporate-ir.net/phoenix.zhtml?c=110135&p=irol-irhome.

About TerreStar Corporation

TerreStar Corporation is the controlling shareholder of TerreStar Networks Inc. and TerreStar Global Ltd., and a shareholder of SkyTerra Communications. For additional information on TerreStar Corporation, please visit the company's website at www.terrestarcorp.com

About TerreStar Networks Inc.

TerreStar (www.terrestar.com), a majority-owned subsidiary of TerreStar Corporation (NASDAQ:TSTR), plans to build, own and operate North America's first 4G integrated mobile satellite and terrestrial communications network that will provide universal access and tailored applications throughout North America over conventional wireless devices. TerreStar expects to be the first to offer customer-designed products and applications over a fully optimized 4G IP network.

Statement under the Private Securities Litigation Reform Act:

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act, with respect to the strategy of TerreStar Corporation, its plans, and the transactions described in this press release. Such statements generally include words such as could, can, anticipate, believe, expect, seek, pursue, proposed, potential and similar words and terms in connection with future results. We assume no obligation to update or supplement such forward-looking statements.

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EXHIBIT G

SKYTERRA
COMMUNICATIONS

MEDIA ROOM

Press Releases

SkyTerra Communications, Inc. Announces Going-Private Transaction

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Reston, Va., September 23, 2009

SkyTerra (OTCBB: SKYT) today announced that it has entered into a definitive merger agreement for SkyTerra to be acquired by a new corporation formed and indirectly wholly-owned by Harbinger Capital Partners Master Fund I, Ltd and Harbinger Capital Partners Special Situations Fund, L.P. Under the terms of the agreement, the new corporation will pay $5.00 in cash per share for each of SkyTerra's outstanding shares of common stock not held by Harbinger or its affiliates. The purchase price represents a premium of approximately 56% over the average closing price of SkyTerra's common stock for the thirty days ended September 22, 2009, the last day before the announcement of the proposed transaction. Harbinger and its affiliates together hold approximately 48% of SkyTerra's outstanding voting common stock and approximately 49% of SkyTerra's voting and non-voting common stock combined.

The transaction is the culmination of a thorough evaluation of SkyTerra's strategic alternatives by a special committee of SkyTerra's Board of Directors composed solely of independent directors. The special committee was assisted in its evaluation by its independent financial advisor, Morgan Stanley & Co., and counsel, Skadden, Arps, Slate, Meagher & Flom LLP. Harbinger was assisted by its financial advisor, UBS Investment Bank, and counsel, Weil, Gotshal & Manges LLP.

The merger agreement has been approved by the special committee as well as the full Board of Directors of SkyTerra. The transaction is subject to approval by the holders of a majority of SkyTerra's outstanding voting common stock, and to regulatory approvals, including approval of the Federal Communications Commission, and other closing conditions.

It is anticipated that the transaction will be consummated in late 2009 or early 2010.

Harbinger has agreed to vote its shares in favor of the merger. Since Harbinger has approximately 48% of the voting power of SkyTerra's voting common stock, approval of the merger by stockholders is virtually assured if Harbinger so votes in favor of the merger.

SkyTerra and its executive officers and directors may be deemed to be participants in the solicitation of proxies from SkyTerra stockholders in favor of the proposed transaction. Information about the directors and executive officers of SkyTerra and their ownership of SkyTerra common stock is set forth in the proxy statement, dated October 7, 2008, as filed with the SEC on Schedule 14A. Certain executive officers and directors of SkyTerra have interests in the transaction that may differ from the interests of stockholders generally, including acceleration of vesting of stock options, benefits conferred under retention, severance and change in control arrangements, and continuation of director and officer insurance and indemnification. A more complete description of these interests will be contained in the preliminary and definitive proxy statement when and as they become available.

In connection with the proposed transaction, SkyTerra intends to file a proxy statement and other relevant materials with the Securities and Exchange Commission ("SEC"). Before making any voting decision with respect to the proposed transition, stockholders of SkyTerra are urged to read the definitive proxy statement when it becomes available and other relevant materials filed with the SEC because they contain and will contain important information about the proposed transaction. The proxy statement and other relevant materials, and any other documents filed by SkyTerra with the SEC, may be obtained free of charge at the SEC's website at http://www.sec.gov. In addition, stockholders of SkyTerra may obtain free copies of the documents filed with the SEC by contacting SkyTerra Communications, Inc. at: (703) 390-1899 or by writing SkyTerra at 10802 Parkridge Boulevard, Reston, VA, 20191. You may also read and copy any reports, statements and other information filed by SkyTerra Communications with the SEC at the SEC public reference room at 100 F Street, N.E. Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 or visit the SEC's website for further information on its public reference room.

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act with respect to SkyTerra's plans to consummate the merger described in this news release. Such forward-looking statements are based on current expectations that are subject to risks, uncertainties and other factors. Such factors include, but are not limited to, the risk that the conditions to closing contained in the merger agreement are not satisfied or waived and that there is continued compliance with applicable Canadian regulatory requirements. Therefore, no assurance can be given that the merger will close and that stockholders will receive the $5.00 in cash per share merger consideration. SkyTerra assumes no obligation to update or supplement the information in this news release or any such forward-looking statements.

# # #

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0.0239 ⬆ 0.0039 (19.50 %) AS OF 1:48:36PM ET 10/10/2011

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Ownership | Insider Transactions | Insider Trends

Recent Recap

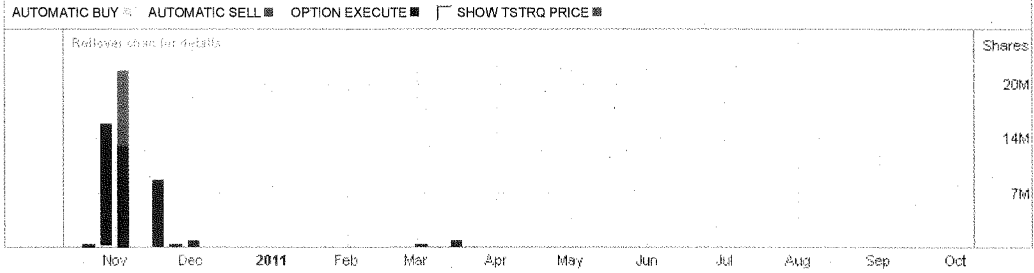
1 WEEK	8 WEEK	AVERAGE INSIDER ACTIVITY
Insider Sentiment: Neutral	**Insider Sentiment:** Neutral	**Sold an average of 24,074,301 shares per year** (over last 2 years)
Sell/Buy Ratio: 0.00	**Sell/Buy Ratio:** 0.00	

Weekly Insider Transactions

What are the different types of transactions

View 1 Year | All Transactions | All Positions

BUY SELL ACQUISITION (NON OPEN MARKET) DISPDSITION (NON OPEN MARKET) PRIVATE BUY PRIVATE SELL
AUTOMATIC BUY AUTOMATIC SELL OPTION EXECUTE SHOW TSTRQ PRICE



Transaction Date	Name	Position	Type	Shares	Range	Market Value	Total Holdings
03/15/2011	MARATHON ASSET MANAGEMENT LP	Beneficial Owner (10% or more)	Sell	850,000	$0.12	102.3K	21,347,001
03/03/2011	MARATHON ASSET MANAGEMENT LP	Beneficial Owner (10% or more)	Sell	350,000	$0.11	39.8K	22,197,001
12/03/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	325,000	$0.17	55.3K	10,051,012
12/02/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	225,000	$0.17	38.3K	10,117,660
12/01/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	455,000	$0.18	79.8K	10,163,801
11/23/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	345,000	$0.19	66.8K	10,257,108
11/17/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	10,407,582	$0.15 - $0.16	1.6M	10,327,857
11/05/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	4,000,000	$0.13	514.0K	13,550,405
11/04/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	9,365,000	$0.11	1.0M	14,637,797
11/04/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Private Sell	9,365,000	$0.11	1.0M	6,237,797
11/03/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Private Sell	800,000	$0.12	93.8K	8,783,654
11/03/2010	HARBINGER CAPITAL PARTNERS MASTER	Beneficial Owner (10% or	Sell	800,000	$0.12	93.8K	17,183,654

	FUND I, LTD.	more)					
11/01/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	1,500,000	$0.15	231.9K	17,401,132
11/01/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Private Sell	1,500,000	$0.15	225.0K	9,001,132
10/29/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	7,108,000	$0.10	725.0K	9,408,904
10/29/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	7,108,000	$0.10	725.7K	17,808,904
10/28/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	1,101,176	$0.11	123.2K	19,741,199
10/28/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	1,101,176	$0.11	123.3K	11,341,199
10/27/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	834,000	$0.13	104.3K	20,040,551
10/26/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	396,668	$0.14	56.0K	20,267,272

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0.0239 ↑ 0.0039 (19.50 %) AS OF 1:48:36PM ET 10/10/2011

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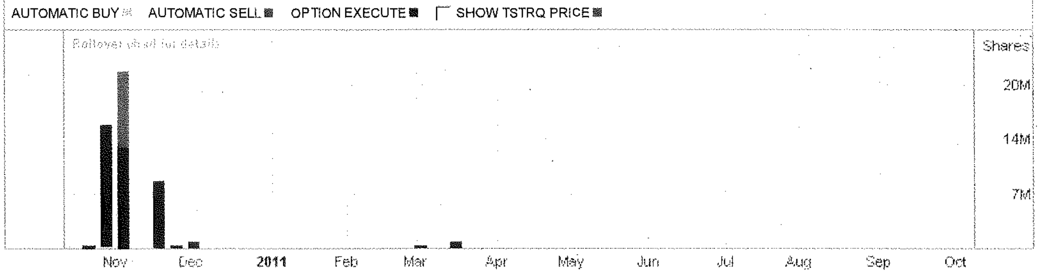

Transaction Date	Name	Position	Type	Shares	Range	Market Value	Total Holdings
10/26/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	396,668	$0.14	56.0K	20,267,272
10/25/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	1,425,000	$0.16	226.7K	20,375,105
10/22/2010	HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.	Beneficial Owner (10% or more)	Sell	452,000	$0.18	80.3K	63,551,969

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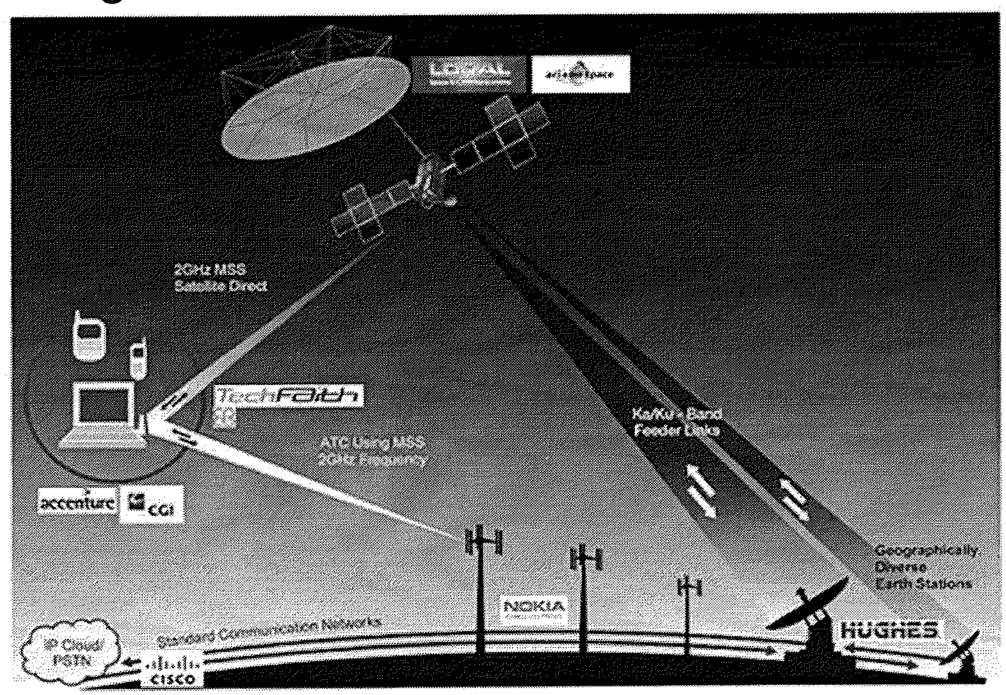
TSC now Competing with Light Square

Using licensed 2GHz radio spectrum, it can provide voice service as well as data at approximately 64K bits per second, said TerreStar Chief Technology Officer Dennis Matheson. The handsets will switch between satellite and 3G coverage as users roam in and out of cellular coverage areas.



http://www.dailywireless.org/2010/11/23/terrestar-genus-can-anyone-hear-me/

Why Conflict of Interest:

- TerreStar shares MSS (2 GHz) spectrum with Craig McCaw's ICO. McCaw's ICO, also in the 2 GHz band, launched ICO G1 in April 2008, the largest commercial satellite ever launched at the time. But ICO does not yet offer service, and is still emerging from bankruptcy as DBSD Satellite Services.

- The Lightsquared satellite, SkyTerra-1, was successfully launched just last week. Lightsquared service are not yet available. It will use the lower frequency L-band at 1.6 GHz. Lightsquared hopes to build its own terrestrial LTE network– using their 1.6 GHz frequency — after they raise a few billion dollars.

http://www.dailywireless.org/2010/11/23/terrestar-genus-can-anyone-hear-me/

Following 2.0 Investment? 2007 Financial Statement

Liquidity and Capital Resources

F-6

Our principal short-term liquidity needs will depend on: (i) The successful and timely completion of our satellite system construction contracts; (ii) the development of certain related ground infrastructure; (iii) the design and development of our first generation handset and chipset; and (iv) the initial roll-out of our terrestrial network. As of December 31, 2007, we had contractual obligations of $341 million due within one year, consisting of approximately $173 million related to our satellite system, $160 million related our handset, chipset, and terrestrial network, and $8 million for operating leases. We have the ability to preserve cash by deferring certain operating and capital expenditures related to the deployment of our satellite and terrestrial network into future periods. We have identified in excess of $100 million of these contractual obligations that can be eliminated or deferred beyond 2008.

Our principal long-term liquidity needs are to fund the deployment and expansion of our terrestrial network, the design of our second generation handset and chipset, and orbital incentive payments related to our satellite contracts. In addition, we will need funds for working capital purposes, which we anticipate will grow as our

F-7

As part of the closing conditions of the sales of the Exchangeable Notes, we obtained the requisite shareholder consents to approve the required corporate actions in connection with the foregoing transactions from Harbinger and the other institutional investors who purchased the notes. As of February 7, 2008 Harbinger and such institutional investors who were also our shareholders held 53.4% of our common shares. We believe that such shareholder approval will be effective on or before the July 23, 2008 milestone date.

Investment SkyTerra 58%
to Acquire 1.6 GHz
Not Need for current Business Strategy

The following table presents the effect of the restatement adjustments upon our previously reported Consolidated Balance Sheet (in thousands):

	December 31, 2006		
	As Reported	Adjustments	Restated
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	$ 171,665	$ —	$ 171,665
Cash committed for satellite construction costs	24,486	—	24,486
Restricted cash for Series A and Series B Cumulative convertible preferred stock dividends	10,723	—	10,723
Restricted cash for Senior Secured Notes	13,087	—	13,087
Deferred issuance costs associated with Series A and Series B Cumulative convertible preferred stock	4,255	—	4,255
Deferred issuance costs associated with Senior Secured Notes	5,708	—	5,708
Assets held for sale	367	—	367
Other current assets	2,602	—	2,602
Total current assets	232,893	—	232,893
Restricted investments	6,255	—	6,255
Property and equipment, net	259,169	—	259,169
Intangible assets, net	144,265	—	144,265
Investment in MSV	184,665	—	184,665
Investment in SkyTerra	293,510	(293,510)	—
Investment in SkyTerra—Restricted	—	254,490	254,490
Deferred issuance costs associated with Series A and Series B Cumulative convertible preferred stock	10,692	—	10,692
Total assets	$1,131,449	$ (39,020)	$1,092,429

Investment SkyTerra 58%

LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable and accrued expenses	$ 12,415	$ —	$ 12,415
Accounts payable to Loral for satellite construction contract	9,073	—	9,073
Accrued income taxes payable	4,641	—	4,641
Deferred rent and other current liabilities	1,199	—	1,199
Series A and Series B Cumulative Convertible Preferred Stock dividends payable	8,174	—	8,174
Senior Secured Notes and accrued interest, thereon	202,267	—	202,267
Current liabilities of discontinued operations	45	—	45
Total current liabilities	237,814	—	237,814
Deferred rent and other long-term liabilities	3,049	—	3,049
SkyTerra investment dividends payable	—	254,490	254,490
Total liabilities	240,863	254,490	495,353
Commitments and Contingencies			
Minority interest in TerreStar Networks	68,617	—	68,617
Minority interest in TerreStar Global	1,633	—	1,633
Series A cumulative convertible preferred stock	90,000	—	90,000
Series B cumulative convertible preferred stock	318,500	—	318,500
STOCKHOLDERS' EQUITY:			
Common stock	737	—	737
Additional paid-in capital	886,463	(254,490)	631,973
Common stock purchase warrants	73,200	—	73,200
Less: 3,951,202 common shares held in treasury stock at December 31, 2007 and December 31, 2006	(73,877)	—	(73,877)
Accumulated deficit	(474,687)	(39,020)	(513,707)
Total stockholders' equity	411,836	(293,510)	118,326
Total liabilities and stockholders' equity	$1,131,449	$ (39,020)	$1,092,429

EXHIBIT H

EXHIBIT 99.13

Highland Capital Management, L.P.
Two Galleria Tower
13455 Noel Road, Suite 800
Dallas, Texas 75240

March 16, 2006

To Our Fellow Motient Stockholders:

By now we hope you are aware of the proposal by Highland Capital Management, L.P. and its affiliates ("***Highland***") to replace the current Board of Directors of Motient Corporation ("***Motient***") with a group of highly qualified, independent individuals who possess the skills and experience to run Motient free of conflicts of interest and in the best interests of all Motient stockholders. We want to provide each of you with some background information on the reasons why this management change is essential to the future of Motient.

➢ **Current management has left a trail of irregularities at other public companies and has demonstrated a flagrant disregard of its fiduciary duties at Motient**

As you know, Motient has been run by Steven Singer, Chairman of the Board of Directors, and a group of hand-picked insiders, which includes the other sitting directors, executive management and affiliated consultants and industry service providers, including Jerry Abbruzzese. You may not know, however, that many of these individuals have for years used their web of intertwined relationships to line their pockets at the expense of stockholders of multiple companies. We point you to multiple situations where the activities of members of this *Singer/Abbruzzese Circle* have raised questions: Cooper Companies, WSNet, CAI Wireless, and Leap Wireless. The trail of irregularities, stockholder lawsuits, regulatory inquiries, accusations and suspicions indicate a pattern of behavior that we believe is being repeated at Motient and serves as the fundamental basis for our seeking a new slate of directors.

In the case of Motient, we note the following examples of particularly egregious conduct:

- Steven Singer's brother, Gary Singer, was convicted of securities fraud in connection with his activities relating to Cooper Companies and has been permanently barred by the SEC from serving as an officer or director of a public company. Despite this fact, Gary Singer offices with Motient's Chairman, has negotiated deals on Motient's behalf, has participated in Motient's board meetings and has indirectly received over a million dollars in fees from Motient.
- Jerry Abbruzzese, a former director of Motient, has *"milked"* the stockholders by receiving excessive fees and warrants from Motient through non-arm's length arrangements with his *"advisory firm"* (CTA). At various times during the last three years, CTA has served as surrogate management to the purportedly *"well-qualified"* management team at Motient. As just one example, in February 2005 Motient paid a $3.7 million consulting fee to CTA and to a trust established for the benefit of the children of Gary Singer.
- Tejas, Inc. ("*Tejas*"), a financial advisory firm with limited investment banking qualifications, was engaged at CTA's insistence to serve as placement agent for hundreds of millions of dollars in securities issuances by Motient. Prior to being engaged by Motient, Tejas earned less than $100,000 in annual investment banking revenues. Despite Tejas' lack of investment banking experience, Motient paid the company over

$17 million in cash fees primarily for marketing private placements to then-current stockholders. In addition, Tejas and CTA have also received consideration from Motient having a current value, by our estimate, of more than $65 million.

- In 2004, Tejas granted warrants to Jerry Abbruzzese for services rendered (which were never disclosed to Motient's full Board of Directors) and, to cap it all off, acquired CTA in mid-2005 for a reported $65 million. By our calculation, it would appear to us that the Tejas/CTA acquisition allowed Mr. Abbruzzese to walk away with almost $30 million. Was this repayment to Mr. Abbruzzese for the investment banking fees directed to Tejas?
- Barry Williamson, also a current director of Motient, joined the Motient board in 2005 with little apparent relevant business or telecom experience. At the time of this appointment to the Board, he was a director of Tejas. He continues to own hundreds of thousands of dollars in Tejas stock.
- As a further example of insider deals, last November, Motient awarded its Chief Operating Officer, a former CTA employee, $2.3 million in Motient stock without disclosing a reason for the issuance. Again, we find this extremely suspicious when viewed in connection with prior payments by Motient to, and continued retention of, CTA as an advisor.
- It also appears that Jerry Abbruzzese and at least two other persons affiliated with CTA (including Gerald Kittner, a current director of Motient, and Shawn O'Donnell, the Chief Operating Officer of CTA) got sweetheart deals in connection with their designation by Motient as directors of the general partner of Mobile Satellite Ventures, LP ("***MSV***") where they receive valuable options for MSV partnership units for their *"service"* as directors. Because Motient owns approximately 45% of the interests in MSV's general partner and approximately 40% of the interests in MSV, these options are apparently given at the expense of Motient's stockholders. Similarly, members of Motient's management (including Christopher Downie, Chief Operating Officer of Motient and a former employee of CTA) and other persons affiliated with CTA (including Messrs. Abbruzzese and O'Donnell) serve as directors of Terrestar Networks, Inc. ("***Terrestar***"), an entity recently spun-off by MSV to its limited partner. These persons are presumably also being similarly compensated for their *"services"* rendered at Terrestar.

➢ **Current management continually makes mistakes, demonstrating their inability to take care of Motient's business**

We are concerned also that this *Singer/Abbruzzese Circle* continues to stumble at Motient even with respect to the normal course of business of the company. We note the following:

- Motient recently had to restate its financial statements and replaced its auditors. Motient has also recently identified material weaknesses in its internal control over financial reporting.
- Further, management, with the assistance of Gary Singer, coordinated the issuance of illegal preferred stock in April 2005 and then wasted corporate assets by conducting an exchange offer to attempt to cure the errors, which offer subsequently became the subject

of a lawsuit by Highland, was scrutinized by the SEC and then amended by Motient. Highland was the only investor to protest management's transparent attempts to paper-over its errors.

- In addition, the recently abandoned, ill-conceived *"roll-up"* transaction that management attempted to push through in September 2005 sought to waste corporate assets and dilute Motient stockholders to the benefit of individual Board members and management. In fact, Highland estimates that the misvaluations in the proposed roll-up could have ultimately cost existing Motient stockholders up to $250 million. Only after significant public pressure from Highland challenging the questionable valuation methodology did management finally drop this flawed proposal.
- Christopher Downie, on behalf of Motient's management, has recently indicated in public filings that management is *"focusing our resources"* on another transaction, but management has offered virtually no details on their plans other than questionable statements indicating that, although *"Motient currently owns 61% of Terrestar and 49% of MSV,"* there is *"no guarantee"* that Motient's stockholders will ultimately own those respective percentages of Terrestar or MSV. Given their history, how can we assume that any such transaction would be in the best interests of all stockholders?

In addition to the series of interested transactions and continual mistakes, Motient's Board and management is further tainted in that several members of the current and past Board have a checkered history of alleged securities fraud, bankruptcy and SEC problems. Steven Singer was sued for securities fraud in the Cooper Companies scheme that led to his brother's imprisonment and SEC sanctions. Jerry Abbruzzese was sued for securities fraud in connection with his involvement in CAI Wireless and is currently accused of defrauding yet another public company, WSNet. Gerald Kittner, a current director of Motient, was an executive officer of CAI Wireless before it filed for Chapter 11 and before it became subject to several securities fraud lawsuits. What more needs to be said?

➢ **Highland's interests are aligned with yours and is seeking election of a new Board that will act in the best interests of all stockholders**

Nevertheless, in spite of these fundamental problems and in an attempt to deflect attention from the real issues, this *Singer/ Abbruzzese Circle* continues to paint Highland and myself as the villains. In doing so, they overlook a simple fact:

Until Highland's representative resigned from the Board, Highland was (to its knowledge) the only member of the Board or management that had a material amount of money, or possibly any money, invested in Motient.

Clearly, given that Highland is Motient's largest stockholder and has more than $230 million currently invested in Motient, its interests are aligned with those of Motient's stockholders. Highland recognizes the great value in Motient's spectrum assets. Highland has every reason to take the necessary actions to make sure Motient's assets are preserved, and that the company is well run, and valued in a manner that is in the best interests of all stockholders. Despite transparent efforts by this *Singer/Abbruzzese Circle* to differentiate between the shares Highland investors own and those of other Motient stockholders, the clear fact is that 100% of Highland's interest in Motient is tied to the underlying value of Motient's securities.

Fellow Stockholders of Motient Corporation
March 16, 2006
Page 4

➢ **Management's recent election of two new Board members is too little, too late**

Lastly, in direct response to the questions raised by Highland and actions taken by Highland to effectuate change at the board level, this *Singer/Abbruzzese Circle* recently appointed two new *"independent"* directors to Motient's Board of Directors. These appointments occurred only after Highland discovered, revealed and openly challenged the continued malfeasance of the existing Board and management. If not for Highland's continuing to place a public light on the company and the Board, we are of the strong belief that this *Singer/Abbruzzese Circle* would have escalated its looting of Motient. As mentioned earlier, at least one of the Singers has been to jail for activities relating to a public company in the past. Thus, it seems highly unlikely that two new directors appointed to the existing Board will put an end to this long trail of Singer/Abbruzzese mismanagement that continues to adversely affect Motient and its stockholders.

This company needs to be returned to its stockholders. It is time to clean house. Integrity and independence must guide future decisions at Motient.

Sincerely yours,

Highland Capital Management, L.P.

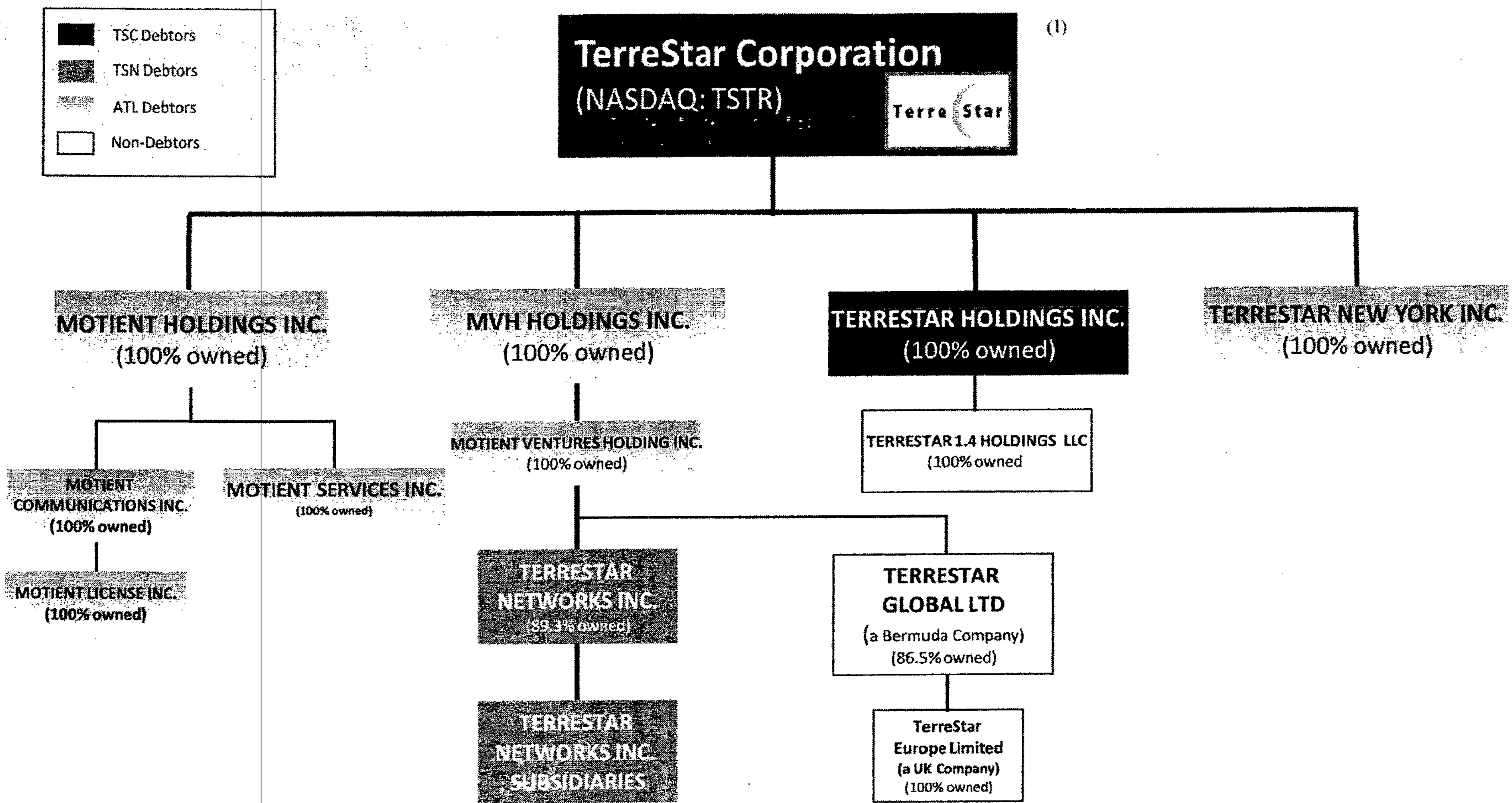
By: ***James D. Dondero***, as President
of the General Partner

HIGHLAND STRONGLY ADVISES ALL SECURITY HOLDERS OF MOTIENT TO READ ITS PROXY OR CONSENT STATEMENT WHEN AND IF IT BECOMES AVAILABLE, AS IT WILL CONTAIN IMPORTANT INFORMATION, INCLUDING INFORMATION RELATING TO THE PARTICIPANTS IN ANY SUCH PROXY OR CONSENT SOLICITATION. INVESTORS CAN GET THE PROXY OR CONSENT STATEMENT, AND ANY OTHER RELEVANT DOCUMENTS, WHEN AND IF AVAILABLE, FOR FREE AT THE COMMISSION'S WEB SITE AT HTTP://WWW.SEC.GOV. IN ADDITION, ANY SUCH PROXY OR CONSENT STATEMENT, AND ANY OTHER RELEVANT DOCUMENTS, WHEN AND IF AVAILABLE, WILL BE AVAILABLE FOR FREE FROM THE PARTICIPANTS BY CONTACTING HIGHLAND'S SOLICITOR, D.F. KING & CO., INC., AT ITS TOLL-FREE NUMBER: (888) 886-4425, OR BY COLLECT CALL AT (212) 269-5550.

INFORMATION CONCERNING THE IDENTITY OF THE POTENTIAL PARTICIPANTS IN ANY SUCH POTENTIAL PROXY OR CONSENT SOLICITATION AND A DESCRIPTION OF THEIR DIRECT OR INDIRECT INTERESTS, BY SECURITY HOLDINGS OR OTHERWISE, IS CONTAINED IN EXHIBIT 1 TO THE SCHEDULE 14A FILED WITH THE SECURITIES AND EXCHANGE COMMISSION BY HIGHLAND ON MARCH 16, 2006. Security holders of Motient can also obtain information concerning the identity of the potential participants in any such potential proxy or consent solicitation and a description of their direct or indirect interests, by security holdings or otherwise, for free by contacting Highland's solicitor, D.F. King & Co., Inc., at its toll-free number: (888) 886-4425, or by collect call at (212) 269-5550.

EXHIBIT I

Organizational Chart



(1) TerreStar Corporation has 5 series of Preferred Stock (Series A, B, C, D and E).

EXHIBIT J

TSC Ownership

Financial Statement 2007

TERRESTAR CORPORATION

F-6

Notes to Consolidated Financial Statements

Note 1. Organization and Description of Business

General

TerreStar Corporation was incorporated in 1988 under the laws of the State of Delaware. TerreStar Corporation is in the integrated satellite wireless communications business through its ownership of TerreStar Networks, its principal operating entity, and TerreStar Global. We changed our name from Motient Corporation to TerreStar Corporation in 2007.

Our primary business is TerreStar Networks, a Reston, Virginia based future provider of advanced mobile satellite services for the North American market. Previously, we operated a two-way terrestrial wireless data communications service. On September 14, 2006, we sold most of the assets and liabilities relating to that business. Our historical financial statements present this terrestrial wireless business as a discontinued operation. Pursuant to such presentation, our current period continuing operations are reflected as a single operating unit.

As of December 31, 2007, we had two wholly-owned subsidiaries, MVH Holdings Inc and Motient Holdings Inc, an 86% interest in TerreStar Networks and an 85% interest in TerreStar Global. Additionally, we held approximately 42% non-voting interest in SkyTerra Communications, Inc ("SkyTerra"), a mobile satellite communications company. As of December 31, 2007, SkyTerra owned approximately 11% of TerreStar Networks common stock.

TSC
Why did we Invest?
Financial Statement 2008

Narrative Description of the Business

TerreStar Networks Inc.

TerreStar Networks is our principal operating entity. In cooperation with its Canadian partner, 4371585 Canada, we plan to launch an innovative wireless communications system to provide mobile coverage throughout the United States and Canada using small, lightweight and inexpensive handsets similar to today's mobile devices. This system build out will be based on an integrated satellite and ground-based technology which will provide service in most hard-to-reach areas and will provide a nationwide interoperable, survivable and critical communications infrastructure.

By offering MSS using frequencies in the 2GHz band, which are part of what is often known as the "S-band", in conjunction with ATC, we can effectively deploy an integrated satellite and terrestrial wireless communications network. Our network would allow a user to utilize a mobile device that would communicate with a traditional land-based wireless network when in range of that network, but communicate with a satellite when not in range of such a land-based network. We intend to provide multiple communications applications, including voice, data and video services. Through TerreStar Networks, we are in the process of building our first satellite pursuant to a construction contract with Loral. Once launched, our TerreStar-1 satellite, with an antenna approximately sixty feet across, will be able to communicate with conventionally sized wireless devices currently being developed by our vendors.

Our ability to offer these services depends on TerreStar Networks' right to receive certain regulatory authorizations allowing it to provide MSS/ATC in the S-band. These authorizations are subject to various regulatory milestones relating to the construction, launch and operational date of the satellite system required to provide this service. We may be required to obtain additional approvals from national and local authorities in connection with the services that we wish to provide in the future. For example, in order to provide ATC in the United States and Canada we must file applications separately from our satellite authorizations. In addition, the manufacturers of our ATC user terminals and base stations will need to obtain FCC equipment certifications and similar certifications in Canada.

TerreStar Networks was initially created as a subsidiary of SkyTerra, formerly known as MSV, established to, among other things, develop a satellite communications system using the S-band. On May 11, 2005, we acquired our ownership interest in TerreStar Networks when, in conjunction with a spin-off of TerreStar Networks to the owners of MSV, we purchased an additional $200 million of newly issued TerreStar Networks common stock. In conjunction with this transaction, TerreStar Networks also entered into an agreement with MSV's wholly-owned subsidiary, ATC Technologies, LLC ("ATC Technologies") pursuant to which TerreStar Networks has a perpetual, royalty-free license to utilize ATC Technologies' patent portfolio in the S-band.

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TERRESTAR CORPORATION

Consolidated Statements of Cash Flows
For the Years Ended December 31, 2009, 2008 and 2007
(In thousands)

	2009	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$ (224,485)	$ (288,237)	$ (263,601)
Adjustments to reconcile net loss to net cash used in continuing operating activities:			
Depreciation and amortization	24,028	22,479	18,222
Write-off of deferred financing fees	—	—	5,708
Equity in losses of MSV	—	—	7,338
Loss on investment in SkyTerra	—	126,224	—
Other than temporary impairment- SkyTerra	—	—	106,800
Loss (gain) on asset disposal	9	6,768	(123)
Amortization of deferred issuance costs	6,418	5,029	1,778
Stock-based compensation	7,086	4,480	25,069
Impairment of intangibles	—	—	6,699
Deferred income taxes	2,369	—	—
Decrease in dividend liability	—	(77,708)	(71,046)
Changes in assets and liabilities:			
Income tax receivable	1,477	(1,097)	(380)
Prepaid and other current assets	(1,382)	5,117	(6,136)
Accounts payable and accrued expenses	14,751	(18,597)	20,088
Other assets	—	817	(6,817)
Accrued interest	57,845	49,539	38,035
Deferred rent and other liabilities	(1,463)	1,876	(1,546)
Adjustment related to discontinued operating activities	—	—	(28)
Net cash used in continuing operating activities	(113,347)	(163,310)	(119,940)
CASH FLOWS FROM CONTINUING INVESTING ACTIVITIES:			
Proceeds from the sale of SkyTerra shares	—	199,083	—
Decrease in restricted cash and investments, net	932	2,049	45,423
Proceeds from assets held for sale	—	—	500
Purchases of intangible assets	(187)	(367)	(734)
Purchases of property and equipment	(101,106)	(103,546)	(290,611)
Net cash provided by discontinued investing activities	—	2,009	3,667
Net cash (used in) provided by investing activities	(100,361)	99,228	(241,755)
CASH FLOWS FROM CONTINUING FINANCING ACTIVITIES:			
Proceeds from issuance of TerreStar notes and TerreStar exchangeable notes	—	195,732	500,000
Proceeds from TerreStar-2 purchase money credit agreement	24,350	33,175	—
Proceeds from issuance of equity securities	—	—	6,708
Repayment of the Senior Secured Notes	—	—	(200,000)
Payments for capital lease obligations	(70)	(59)	(37)
Dividends paid on Series A and Series B cumulative convertible preferred stock	(2,362)	(13,086)	(13,086)
Debt issuance costs and other charges	—	(3,954)	(14,421)
Net cash provided by financing activities	21,918	211,808	279,164
Foreign exchange effect on cash and cash equivalents	95	(40)	—
Net (decrease) increase in cash and cash equivalents	(191,695)	147,686	(82,531)
CASH AND CASH EQUIVALENTS, beginning of period	236,820	89,134	171,665
CASH AND CASH EQUIVALENTS, end of period	45,125	$ 236,820	$ 89,134

See accompanying Notes to Consolidated Financial Statements

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TERRESTAR CORPORATION

Consolidated Statements of Operations
For the Years Ended December 31, 2009, 2008 and 2007
(In thousands, except per share amounts)

	2009	2008	2007
Revenue (including revenue-related party $2,290)	$ 2,384	—	—
Operating expenses:			
General and administrative (exclusive of depreciation and amortization)	67,359	$ 88,536	$ 114,848
Research and development (exclusive of depreciation and amortization)	69,882	73,560	43,067
Depreciation and amortization	24,028	22,479	18,222
Loss on impairment of intangibles	—	—	6,699
Loss (gain) on asset disposal	9	6,768	(123)
Total operating expenses	161,278	191,343	182,713
Loss from operations	(158,894)	(191,343)	(182,713)
Other income (expense):			
Interest expense	(64,275)	(54,764)	(52,584)
Interest income	221	3,328	12,215
Other income	832	827	325
Equity in losses of MSV	—	—	(7,338)
Loss on investment in SkyTerra	—	(126,224)	—
Other than temporary impairment—SkyTerra	—	—	(106,800)
Decrease in dividend liability	—	77,708	71,046
Loss before income taxes	(222,116)	(290,468)	(265,849)
Income tax (provision) benefit	(2,369)	2,231	2,248
Net loss	(224,485)	$(288,237)	$(263,601)
Less:			
Net loss attributable to the noncontrolling interest in TerreStar Networks	18,935	10,545	23,262
Net loss attributable to the noncontrolling interest in TerreStar Global	313	—	1,198
Net loss attributable to TerreStar Corporation	(205,237)	(277,692)	(239,141)
Dividends on Series A and Series B cumulative convertible preferred stock	(25,293)	(19,139)	(23,232)
Accretion of issuance costs associated with Series A and Series B cumulative convertible preferred stock	(4,542)	(4,553)	(4,542)
Net loss attributable to common stockholders	$(235,072)	$(301,384)	$(266,915)
Basic & Diluted Loss Per Share	$ (1.76)	$ (2.81)	$ (3.22)
Basic & Diluted Weighted-Average Common Shares Outstanding	133,476	107,179	83,016

See accompanying Notes to Consolidated Financial Statements

EXHIBIT K

LightSquared

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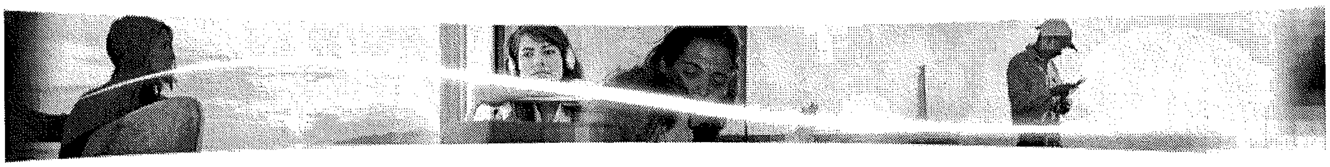

- Our Vision
- Management Team
- Our Investors
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Transforming the U.S. Wireless Industry

Sanjiv Ahuja, Chairman and CEO

LightSquared is building a state-of-the-art open wireless broadband network. This open network will unleash the full power of the mobile Internet, driving innovation in devices, applications, and services. **LightSquared** will offer network capacity on a wholesale-only basis to a variety of business partners.

Future-Ready Infrastructure

LightSquared will deploy an open wireless broadband network using a technology called Long Term Evolution (LTE), the most widely adopted 4G standard in the world. Its LTE network will be combined with one of the largest commercial satellites ever launched, to provide coverage of the entire United States. This integrated LTE-satellite network is a world first.

Wholesale-Only Business Model

LightSquared will complement all existing and emerging players in the wireless market by operating on a wholesale basis exclusively, thereby avoiding any conflict of interest. This allows **LightSquared** to focus on developing individual, tailored, and cost-effective solutions for its business partners—**LightSquared** will be only as successful as they are. In turn, end users can enjoy the benefits of innovation and increasing competition.

Truly Opening the Mobile Internet

Built from the ground up, the **LightSquared** network is designed to support present-day and emerging wireless devices without restrictions. Its open wireless ecosystem removes existing barriers to the development of innovative applications and services in the mobile Internet space.

Impact on Americans

LightSquared will build out its own nationwide wireless network of base stations. The deployment and management of the **LightSquared** network is anticipated to generate more than 15,000 direct and indirect private sector jobs each year through 2015. As stated in the FCC's National

Broadband Plan, "Broadband can and must serve as a foundation for long-term economic growth, ongoing investment, and enduring job creation." The **LightSquared** network will demonstrate the reality of that policy goal.

Its integrated LTE-satellite network will serve critical public sector needs such as emergency preparedness and seamless communications in times of crisis.

LightSquared will revolutionize the way Americans connect with each other and with the world. **LightSquared** will offer people the value, freedom of movement, and excitement of connectivity, wherever they are in the United States. On the **LightSquared** network, Americans will be able to count on reliable wireless connections to strengthen bonds, share culture, educate and entertain themselves, and realize their dreams.

LightSquared fully supports the FCC's National Broadband Plan. Its goal is to bring broadband to all Americans.

WHAT THE INDUSTRY EXPERTS ARE SAYING

""In a world of vertically integrated wireless carriers, LightSquared plans to revolutionize the mobile Internet with a horizontal model that offers customers a "wholesale-only" 4G long-term evolution (LTE) terrestrial network that is complemented with satellite." "

Ticonderoga Securities, "Industry Update, Networking & IT Hardware," March 24, 2011

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EXHIBIT L

the milestone requirements under the terms of the TerreStar Notes, to estimate the interest rate to be incurred, compared to the stated base interest rate of 15.0% per annum. At December 31, 2009 the carrying amount of TerreStar Notes includes $3.0 million relating to the fair value of the contingent interest derivative.

Until and including February 15, 2011, interest on the TerreStar Notes will be payable in additional TerreStar Notes on each February 15 and August 15 semi-annually, starting August 15, 2007. Thereafter, interest on the TerreStar Notes will be payable in cash on February 15 and August 15, starting August 15, 2011. As of December 31, 2009, certain milestones continue to not be met under the Notes agreement and, accordingly, our current interest rate is 16% per annum.

The TerreStar Notes are secured by a first priority security interest in the assets of TerreStar Networks, subject to certain exceptions, pursuant to a U.S. Security Agreement (the "Security Agreement"), dated as of February 14, 2007, among TerreStar Networks, as issuer, and any entities that may become Guarantors (as defined in the Indenture) in the future under the Indenture in favor of U.S. Bank National Association, as collateral agent. The assets of TerreStar Networks that collateralize the TerreStar Notes amount to $972.1 million as of December 31, 2009, consisting primarily of satellites under construction, property and equipment and cash and cash equivalents.

During 2009 and 2008, $114.2 and $87.7 million of interest was paid-in-kind as additional TerreStar Notes, respectively, in accordance with covenants under the Indenture. As of December 31, 2009 and 2008, the carrying value of the TerreStar Notes, net of discount including the contingent interest derivative and accrued interest, was $791.9 million and $671.9 million, respectively.

During the third quarter of 2009, we identified and recorded adjustments to recognize contingent interest derivatives that should have been recognized in financial statements for prior periods. The cumulative effect of correcting this error was recorded in the financial statements for the three months ended September 30, 2009. The adjustment to correct the error had the effect of overstating interest expense by $2.8 million and $4.8 million for the three months ended September 30, 2009 and the twelve months ended December 31, 2009, respectively. The adjustment also resulted in an increase in assets under construction of $2.6 million (for capitalized interest) and an increase in debt by $4.5 million as of September 30, 2009. We believe that the effects of this error was not material to the consolidated financial statements for any prior interim or annual period, nor was the impact material to the consolidated financial statements for the three months ended September 30, 2009 or the year ended December 31, 2009. Accordingly, the retroactive adjustment of previously issued financial statements is unnecessary.

TerreStar Exchangeable Notes

The EchoStar Investment Agreement also provided for the purchase by EchoStar of $50 million of TerreStar Networks' newly issued 6.5% Senior Exchangeable PIK Notes due 2014, exchangeable for TerreStar Corporation common stock, at a conversion price of $5.57 per share (the "TerreStar Exchangeable Notes"). In addition, on February 5, 2008, TerreStar Corporation and TerreStar Networks entered into a Master Investment Agreement (the "Harbinger Investment Agreement"), with certain affiliates of Harbinger. The Harbinger Investment Agreement provided for, among other things, purchase by Harbinger of $50 million of TerreStar Exchangeable Notes. In connection with the foregoing transactions, certain of our existing investors entered into separate investment agreements ("Shareholder Investment Agreements") to purchase in the aggregate $50 million of the TerreStar Exchangeable Notes.

On February 7, 2008, TerreStar Networks issued $150 million aggregate principal amount of TerreStar Exchangeable Notes due 2014 pursuant to an Indenture (the "Exchangeable Note Indenture"), among TerreStar Networks, TerreStar Corporation and certain subsidiaries, as issuer, the guarantors from time to time party thereto (the "Exchangeable Note Guarantors") and U.S. Bank National Association, as trustee.

EXHIBIT M

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
Case Nos. 10-15446(SHL); 11-10612(SHL)
- -x
In the Matters of:
TERRESTAR NETWORKS INC., et al.,

Debtors.
- -x
TERRESTAR CORPORATION, et al.,

Debtors.
- -x

United States Bankruptcy Court
One Bowling Green
New York, New York

September 19, 2011
10:16 AM

B E F O R E:
HON. SEAN H. LANE
U.S. BANKRUPTCY JUDGE

include the unsecured creditor Elektrobit as well as creditors who hold either or both preferred and common shares, such as Solus, Harbinger and Highland. These creditors would stand to gain if additional recovery was available in these cases. Elektrobit and these other creditors oppose the request for an examiner here, because of concerns about the costs of such an examiner, both in terms of professional fees and delay in this case.

And this is the case, even though as Elektrobit's counsel stated in her presentation, those creditors will be paying close attention to valuation issues as this case moves forward to the disclosure statement and the plan. The views of those parties obviously are relevant in my determination of whether appointment of an examiner is appropriate for the benefit of all parties.

So given all these facts, I'm not persuaded that there's a sufficient basis under (c)(1) to merit the appointment of an examiner as in the interest of all creditors.

Turning to Section (c)(2), I conclude that quote, "Debtor's fixed liquidated unsecured debts, other than debts for goods, services, or taxes are owing to an insider," end quote, do not exceed five million dollars.

In reaching this conclusion, I have reviewed the schedules of assets and liabilities, the claims register, and the summary chart of those claims provided at the hearing by